

Monroe County, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



MONROE COUNTY, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Financial and Compliance Report

REGULATORY BASIS FINANCIAL STATEMENTS

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

SUPPLEMENTARY INFORMATION

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

Arkansas

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Senate Chair
Sen. Jim Dotson
Senate Vice Chair



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

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

A priority of Arkansas Legislative Audit is to assist county government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of county governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Monroe County, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated August 6, 2026. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2024:

County Judge: P.K. Norman
Treasurer/Tax Collector: Steve Mitchell
Sheriff: Michael Neal
County Clerk: Tina Wofford
Circuit Clerk: Alice Smith
Assessor: Stacey Wilkerson
County Librarian: David Brown

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

Noncompliance with state law and accepted accounting practices was noted in the offices of the **Treasurer/Tax Collector** and **Sheriff**.

Treasurer/Tax Collector

Bank reconciliations were not prepared during the year for accounts maintained by the Treasurer in noncompliance with Ark. Code Ann. §14-25-107. A similar finding was issued in the previous report.

The County failed to transfer the Treasurer's Commission totaling \$110,405 to the General Fund; in addition, the excess Treasurer's Commission totaling \$47,973 was not distributed. A similar finding was issued in the previous report.

The Assessor's Salary & Expense per the final tax settlement was \$4,717 more than the actual office expense. In addition, the Excess Collector's Commission distribution was overstated by \$4,067. A similar finding was issued in the previous report.

Sheriff

The balance remaining in the Commissary bank account of \$10,465, was not identified. A similar finding was issued in the previous report.

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

ARKANSAS LEGISLATIVE AUDIT

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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
August 6, 2026
LOCO04824

MONROE COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,126,374	\$ 5,696,185	\$ 6,810,658
Accounts receivable	228,413	75,077	43,439
Interfund receivables			23,875
TOTAL ASSETS	<u>\$ 2,354,787</u>	<u>\$ 5,771,262</u>	<u>\$ 6,877,972</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 42,457	\$ 88,003	\$ 68,079
Interfund payables	20,963		2,912
Settlements pending	383,335		4,367,149
Total Liabilities	<u>446,755</u>	<u>88,003</u>	<u>4,438,140</u>
Fund Balances:			
Restricted		5,683,259	2,439,832
Unassigned	1,908,032		
Total Fund Balances	<u>1,908,032</u>	<u>5,683,259</u>	<u>2,439,832</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,354,787</u>	<u>\$ 5,771,262</u>	<u>\$ 6,877,972</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 569,723	\$ 1,280,638	\$ 67,553
Federal aid	10,636		7,400
Property taxes	725,181	344,797	54,440
Fines, forfeitures, and costs	234,601		49,971
Interest	1,000	21,484	4,037
Officers' fees	8,046		36,631
Jail fees	48,753		3,075
911 fees	25,246		172,674
Commissary profit			11,749
Contributions from regional library			13,948
Unclassified	277,740		
Treasurer's commission	51,422		11,040
Collector's commission	142,177		28,909
Taxes apportioned - Assessor's salary and expense	181,604		
Other	156,169	43,063	6,940
TOTAL REVENUES	2,432,298	1,689,982	468,367
Less: Treasurer's commission	27,909	20,355	4,848
NET REVENUES	2,404,389	1,669,627	463,519
EXPENDITURES			
Current:			
General government	1,065,636		422,842
Law enforcement	1,158,449		85,172
Highways and streets		1,895,159	
Public safety	10,707		92,173
Health	124,782		
Recreation and culture			54,655
Social services	47,106		
TOTAL EXPENDITURES	2,406,680	1,895,159	654,842
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,291)	(225,532)	(191,323)
FUND BALANCES - JANUARY 1	1,910,323	5,908,791	2,631,155
FUND BALANCES - DECEMBER 31	\$ 1,908,032	\$ 5,683,259	\$ 2,439,832

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

MONROE 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
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 396,952	\$ 569,723	\$ 172,771	\$ 1,350,000	\$ 1,280,638	\$ (69,362)
Federal aid	10,000	10,636	636			
Property taxes	750,800	725,181	(25,619)	307,900	344,797	36,897
Fines, forfeitures, and costs	287,000	234,601	(52,399)			
Interest	1,800	1,000	(800)	7,450	21,484	14,034
Officers' fees	10,000	8,046	(1,954)			
Jail fees	40,000	48,753	8,753			
911 fees		25,246	25,246			
Unclassified		277,740	277,740			
Treasurer's commission	65,000	51,422	(13,578)			
Collector's commission	30,000	142,177	112,177			
Taxes apportioned - Assessor's salary and expense	170,000	181,604	11,604			
Other	550,000	156,169	(393,831)	175,861	43,063	(132,798)
TOTAL REVENUES	2,311,552	2,432,298	120,746	1,841,211	1,689,982	(151,229)
Less: Treasurer's commission		27,909	(27,909)		20,355	(20,355)
NET REVENUES	2,311,552	2,404,389	92,837	1,841,211	1,669,627	(171,584)
EXPENDITURES						
Current:						
General government	1,202,540	1,065,636	136,904			
Law enforcement	1,274,561	1,158,449	116,112			
Highways and streets				2,171,888	1,895,159	276,729
Public safety	16,800	10,707	6,093			
Health	127,653	124,782	2,871			
Social services	48,619	47,106	1,513			
TOTAL EXPENDITURES	2,670,173	2,406,680	263,493	2,171,888	1,895,159	276,729
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(358,621)	(2,291)	356,330	(330,677)	(225,532)	105,145
FUND BALANCES - JANUARY 1		1,910,323	1,910,323		5,908,791	5,908,791
FUND BALANCES - DECEMBER 31	\$ (358,621)	\$ 1,908,032	\$ 2,266,653	\$ (330,677)	\$ 5,683,259	\$ 6,013,936

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

MONROE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	Reappraisal Cost	Child Support Cost
ASSETS									
Cash and cash equivalents	\$ 27,956	\$ 149,017	\$ 44,837	\$ 11,388	\$ 16,466	\$ 136,507	\$ 96,984	\$ 5,598	\$ 11,465
Accounts receivable	11,040	28,909					596		
Interfund receivables		20,963				2,826	86		
TOTAL ASSETS	<u>\$ 38,996</u>	<u>\$ 198,889</u>	<u>\$ 44,837</u>	<u>\$ 11,388</u>	<u>\$ 16,466</u>	<u>\$ 139,333</u>	<u>\$ 97,666</u>	<u>\$ 5,598</u>	<u>\$ 11,465</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable						\$ 988	\$ 25		
Interfund payables	\$ 2,912								
Settlements pending									
Total Liabilities	<u>2,912</u>					<u>988</u>	<u>25</u>		
Fund Balances:									
Restricted	36,084	\$ 198,889	\$ 44,837	\$ 11,388	\$ 16,466	138,345	97,641	\$ 5,598	\$ 11,465
Total Fund Balances	<u>36,084</u>	<u>198,889</u>	<u>44,837</u>	<u>11,388</u>	<u>16,466</u>	<u>138,345</u>	<u>97,641</u>	<u>5,598</u>	<u>11,465</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 38,996</u>	<u>\$ 198,889</u>	<u>\$ 44,837</u>	<u>\$ 11,388</u>	<u>\$ 16,466</u>	<u>\$ 139,333</u>	<u>\$ 97,666</u>	<u>\$ 5,598</u>	<u>\$ 11,465</u>

MONROE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS									
	Drug Control	Jail Operation and Maintenance	County Detention Facility	Boating Safety and Enforcement	Emergency 911	Public Defender	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	County Clerk Commissioner's Fee
ASSETS									
Cash and cash equivalents	\$ 53	\$ 109,751	\$ 42,579	\$ 11,329	\$ 974,797 2,894	\$ 22,640	\$ (5,623)	\$ 2,520	\$ 40
Accounts receivable									
Interfund receivables									
TOTAL ASSETS	<u>\$ 53</u>	<u>\$ 109,751</u>	<u>\$ 42,579</u>	<u>\$ 11,329</u>	<u>\$ 977,691</u>	<u>\$ 22,640</u>	<u>\$ (5,623)</u>	<u>\$ 2,520</u>	<u>\$ 40</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 366			\$ 3,008	\$ 1,271	\$ 2,379		
Interfund payables									
Settlements pending									
Total Liabilities		<u>366</u>			<u>3,008</u>	<u>1,271</u>	<u>2,379</u>		
Fund Balances:									
Restricted	\$ 53	109,385	\$ 42,579	\$ 11,329	974,683	21,369	(8,002)	\$ 2,520	\$ 40
Total Fund Balances	<u>53</u>	<u>109,385</u>	<u>42,579</u>	<u>11,329</u>	<u>974,683</u>	<u>21,369</u>	<u>(8,002)</u>	<u>2,520</u>	<u>40</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 53</u>	<u>\$ 109,751</u>	<u>\$ 42,579</u>	<u>\$ 11,329</u>	<u>\$ 977,691</u>	<u>\$ 22,640</u>	<u>\$ (5,623)</u>	<u>\$ 2,520</u>	<u>\$ 40</u>

MONROE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS						
	Assessor's Late Assessment Fee	American Rescue Plan Act	Juvenile Detention and Prisoner Care	Justice Assistance Grant (JAG)	Courtroom Security Grant	Sheriff Communication Facility and Equipment	Library Microfilm Memorial
ASSETS							
Cash and cash equivalents	\$ 2,311	\$ 695,251	\$ 6,552	\$ 1	\$ 139	\$ 6,372	\$ 74,579
Accounts receivable							
Interfund receivables							
TOTAL ASSETS	<u>\$ 2,311</u>	<u>\$ 695,251</u>	<u>\$ 6,552</u>	<u>\$ 1</u>	<u>\$ 139</u>	<u>\$ 6,372</u>	<u>\$ 74,579</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable		\$ 60,042					
Interfund payables							
Settlements pending							
Total Liabilities		<u>60,042</u>					
Fund Balances:							
Restricted	\$ 2,311	635,209	\$ 6,552	\$ 1	\$ 139	\$ 6,372	\$ 74,579
Total Fund Balances	<u>2,311</u>	<u>635,209</u>	<u>6,552</u>	<u>1</u>	<u>139</u>	<u>6,372</u>	<u>74,579</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,311</u>	<u>\$ 695,251</u>	<u>\$ 6,552</u>	<u>\$ 1</u>	<u>\$ 139</u>	<u>\$ 6,372</u>	<u>\$ 74,579</u>

MONROE COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	CUSTODIAL FUNDS					
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Totals
ASSETS						
Cash and cash equivalents	\$ 4,126,134	\$ 65,570	\$ 31,700	\$ 125,627	\$ 18,118	\$ 6,810,658
Accounts receivable						43,439
Interfund receivables						23,875
TOTAL ASSETS	<u>\$ 4,126,134</u>	<u>\$ 65,570</u>	<u>\$ 31,700</u>	<u>\$ 125,627</u>	<u>\$ 18,118</u>	<u>\$ 6,877,972</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 68,079
Interfund payables						2,912
Settlements pending	\$ 4,126,134	\$ 65,570	\$ 31,700	\$ 125,627	\$ 18,118	4,367,149
Total Liabilities	<u>4,126,134</u>	<u>65,570</u>	<u>31,700</u>	<u>125,627</u>	<u>18,118</u>	<u>4,438,140</u>
Fund Balances:						
Restricted						2,439,832
Total Fund Balances						<u>2,439,832</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,126,134</u>	<u>\$ 65,570</u>	<u>\$ 31,700</u>	<u>\$ 125,627</u>	<u>\$ 18,118</u>	<u>\$ 6,877,972</u>

MONROE 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
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	Reappraisal Cost	Child Support Cost
REVENUES									
State aid				\$ 1,975			\$ 4,739	\$ 59,388	
Federal aid									
Property taxes							54,097		
Fines, forfeitures, and costs			\$ 1,437						
Interest									
Officers' fees				82	\$ 672	\$ 28,616			\$ 545
Jail fees									
911 fees									
Commissary profit									
Contributions from regional library									
Treasurer's commission	\$ 11,040								
Collector's commission		\$ 28,909							
Other			13	14	7	295	1,433		2
TOTAL REVENUES	11,040	28,909	1,450	2,071	679	28,911	60,269	59,388	547
Less: Treasurer's commission		506	31	41	14	557	777		10
NET REVENUES	11,040	28,403	1,419	2,030	665	28,354	59,492	59,388	537
EXPENDITURES									
Current:									
General government	11,101	16,015		488	3,409	39,010		59,388	
Law enforcement									
Public safety									
Recreation and culture							49,755		
TOTAL EXPENDITURES	11,101	16,015		488	3,409	39,010	49,755	59,388	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(61)	12,388	1,419	1,542	(2,744)	(10,656)	9,737		537
FUND BALANCES - JANUARY 1	36,145	186,501	43,418	9,846	19,210	149,001	87,904	5,598	10,928
FUND BALANCES - DECEMBER 31	\$ 36,084	\$ 198,889	\$ 44,837	\$ 11,388	\$ 16,466	\$ 138,345	\$ 97,641	\$ 5,598	\$ 11,465

MONROE 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
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Drug Control	Jail Operation and Maintenance	County Detention Facility	Boating Safety and Enforcement	Emergency 911	Public Defender	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	County Clerk Commissioner's Fee
REVENUES									
State aid				\$ 1,085		\$ 366			
Federal aid									
Property taxes									
Fines, forfeitures, and costs		\$ 40,093	\$ 100			8,341			
Interest									
Officers' fees								\$ 128	
Jail fees		900	2,175						
911 fees					\$ 172,674				
Commissary profit									
Contributions from regional library									
Treasurer's commission									
Collector's commission									
Other		315	26	5			\$ 4,830		
TOTAL REVENUES		41,308	2,301	1,090	172,674	8,707	4,830	128	
Less: Treasurer's commission		872	46	22	1,970			2	
NET REVENUES		40,436	2,255	1,068	170,704	8,707	4,830	126	
EXPENDITURES									
Current:									
General government									
Law enforcement		41,035		28		15,250	4,742		
Public safety					92,173				
Recreation and culture									
TOTAL EXPENDITURES		41,035		28	92,173	15,250	4,742		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(599)	2,255	1,040	78,531	(6,543)	88	126	
FUND BALANCES - JANUARY 1	\$ 53	109,984	40,324	10,289	896,152	27,912	(8,090)	2,394	\$ 40
FUND BALANCES - DECEMBER 31	\$ 53	\$ 109,385	\$ 42,579	\$ 11,329	\$ 974,683	\$ 21,369	\$ (8,002)	\$ 2,520	\$ 40

MONROE 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
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Assessor's Late Assessment Fee	American Rescue Plan Act	Juvenile Detention and Prisoner Care	Justice Assistance Grant (JAG)	Courtroom Security Grant	Sheriff Communication Facility and Equipment	Library Microfilm Memorial	Totals
REVENUES								
State aid								\$ 67,553
Federal aid				\$ 7,400				7,400
Property taxes	\$ 343							54,440
Fines, forfeitures, and costs								49,971
Interest		\$ 2,196				\$ 17	\$ 1,824	4,037
Officers' fees						6,588		36,631
Jail fees								3,075
911 fees								172,674
Commissary profit						11,749		11,749
Contributions from regional library							13,948	13,948
Treasurer's commission								11,040
Collector's commission								28,909
Other								6,940
TOTAL REVENUES	343	2,196		7,400		18,354	15,772	468,367
Less: Treasurer's commission								4,848
NET REVENUES	343	2,196		7,400		18,354	15,772	463,519
EXPENDITURES								
Current:								
General government		293,431						422,842
Law enforcement				7,400		16,717		85,172
Public safety								92,173
Recreation and culture							4,900	54,655
TOTAL EXPENDITURES		293,431		7,400		16,717	4,900	654,842
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	343	(291,235)				1,637	10,872	(191,323)
FUND BALANCES - JANUARY 1	1,968	926,444	\$ 6,552	1	\$ 139	4,735	63,707	2,631,155
FUND BALANCES - DECEMBER 31	\$ 2,311	\$ 635,209	\$ 6,552	\$ 1	\$ 139	\$ 6,372	\$ 74,579	\$ 2,439,832

MONROE COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Public 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.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
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	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.
County Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.

MONROE COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024
(UNAUDITED)

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 and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Public Defender	Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
Circuit Court Juvenile Division	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.
County 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 county clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Juvenile Detention and Prisoner Care	Monroe County Ordinance no. 417 (September 13, 2010) allocated Circuit Court ordered funds to be held and used for juvenile detention and prisoner care only.
Justice Assistance Grant (JAG)	Established to account for grant received for the purpose of law enforcement equipment purchases.
Courtroom Security Grant	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.

MONROE COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Sheriff Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communications equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.
Library Microfilm Memorial	Established to account for memorials and immaterial miscellaneous revenue for library expenditures.

Treasurer's accounts consist primarily of property taxes, treasurer's commission, collector's commission, and interest not distributed to the appropriate agencies.

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

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

County Clerk's accounts consist primarily of trust money.

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

MONROE COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

1. A. Basis of Presentation - Regulatory

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

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

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

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

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

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

Other Funds in the Aggregate - Other Funds in the Aggregate consist of all funds included in the financial statements except for the General and Road Funds. The following types of funds are included in this column as follows:

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Special Revenue Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

Custodial Funds - Custodial Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The Custodial Funds presented on Schedule 1 are reported with other funds in the aggregate.

B. Basis of Accounting - Regulatory

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

MONROE COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

1. (Continued)

B. Basis of Accounting – Regulatory (Continued)

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, trust funds, fire protection funds, 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. 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.

D. Property Taxes

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

E. Budget Law

1. Legal Requirements

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

2. Accounting

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

F. Fund Balance Classification Policies and Procedures

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

MONROE COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

1. (Continued)

F. Fund Balance Classification Policies and Procedures (Continued)

For classification of fund balance amounts, restricted resources are considered spent before unrestricted. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

There were no committed or assigned fund balances at year end.

2. **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
Fund Balances:			
Restricted for:			
General government			\$ 1,058,454
Law enforcement			234,475
Highways and streets		\$ 5,683,259	
Public safety			974,683
Recreation and culture			172,220
Total Restricted		<u>5,683,259</u>	<u>2,439,832</u>
Unassigned	<u>\$ 1,908,032</u>		
Totals	<u>\$ 1,908,032</u>	<u>\$ 5,683,259</u>	<u>\$ 2,439,832</u>

3. **Commitments**

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

	December 31, 2024
Long-term liabilities	\$ 35,997
Leases	377,859
Reappraisal contract	59,388
Construction contract	<u>55,846</u>
Total Commitments	<u>\$ 529,090</u>

Long-term Liabilities

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

	December 31, 2024
Compensated absences consisting of accrued vacation leave adjusted to current salary cost	<u>\$ 35,997</u>

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

MONROE COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

3. Commitments (Continued)

Change in Compensated Absences

	December 31, 2024
Beginning balance compensated absences	\$ 2,044
Ending balance compensated absences	<u>35,997</u>
Net Increase (Decrease)	<u>\$ 33,953</u>

Post Employment Benefits Other Than Pensions

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

Leases

The County entered into a lease agreement for three Caterpillar motor graders on January 31, 2022. Terms of the lease are monthly rental payments of \$8,740 for 60 months. At the end of the lease term, the County will return the equipment.

The County entered into a lease agreement for a Caterpillar small wheel loader on March 25, 2024. Terms of the lease are monthly rental payments of \$3,862 for 48 months. At the end of the lease term, the County will return the equipment.

The County is obligated for the following amounts for the next four years:

Year	December 31, 2024
2025	\$ 151,224
2026	151,224
2027	63,825
2028	<u>11,586</u>
Total	<u>\$ 377,859</u>

Lease expense for 2024, was \$148,378.

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal Service on September 11, 2020, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$4,949 for a total of \$296,940 beginning January 1, 2021. Contract expense for 2024, was \$59,388.

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

Year	December 31, 2024
2025	<u>\$ 59,388</u>

MONROE COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

3. Commitments (Continued)

Construction Contract

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

<u>Project Name</u>	<u>Completion Date</u>	<u>Contract Balance December 31, 2024</u>
Monroe County Courthouse	January 24, 2025	<u>\$ 55,846</u>

4. Related Party Transaction

The County paid GreenPoint Ag Services \$155,970 for fuel and oil in 2024. Quorum Court member Jeff Lovell is an operations manager for GreenPoint Ag Services. Monroe County Ordinance no. 615 (January 8, 2024) allows the County to conduct business with this related party.

5. Joint Venture: Regional Library

Phillips, Lee, and Monroe Counties entered into an agreement in May 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the Phillips, Lee, and Monroe Regional Library. The agreement states that the library boards of these counties are to continue the same duties and functions that they have had in the past until said duties and functions are altered by the Quorum Court as provided by law. The County Library did not pay any regional library expenditures in 2024. Contact the Phillips, Lee, and Monroe Regional Library at 702 Porter Street, Helena, AR 72342 to obtain financial statements.

6. Jointly Governed Organizations:

Central Arkansas Regional Solid Waste Management District

Pursuant to Act 752 of the Act of Arkansas of 1991, the Central Arkansas Regional Solid Waste Management District and Board were organized to protect the public health and environmental quality for its service area by establishing a regional solid waste management system in Arkansas Counties of Lonoke, Prairie, and Monroe. The District's board of directors is composed in accordance with the requirements of the Act and is comprised of representatives of the counties of the District and representatives of all first class cities, of all cities with a population of over 2,000, and of the largest city of each county in the District. The County made no contributions to or disbursements on behalf of the Central Arkansas Regional Solid Waste Management District in 2024. Separate financial statements of the Central Arkansas Regional Solid Waste Management District are available at 902 N. Center, Lonoke, Arkansas 72086.

First Judicial District Drug Task Force

The First Judicial District Drug Task Force is a jointly governed organization comprised of representatives from Monroe, Lee, Phillips, St. Francis, Cross, and Woodruff Counties and participating cities within the aforementioned counties. The Sheriff from each county acts as a representative. The County did not pay any drug task force expenditures in 2024. Contact the First Judicial District Drug Task Force at 113 S. Main Street, Clarendon, AR 72029 to inquire on the availability of financial statements.

7. 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.

MONROE COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

7. 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 \$197,557.

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 \$1,412,392.

8. Capital Assets

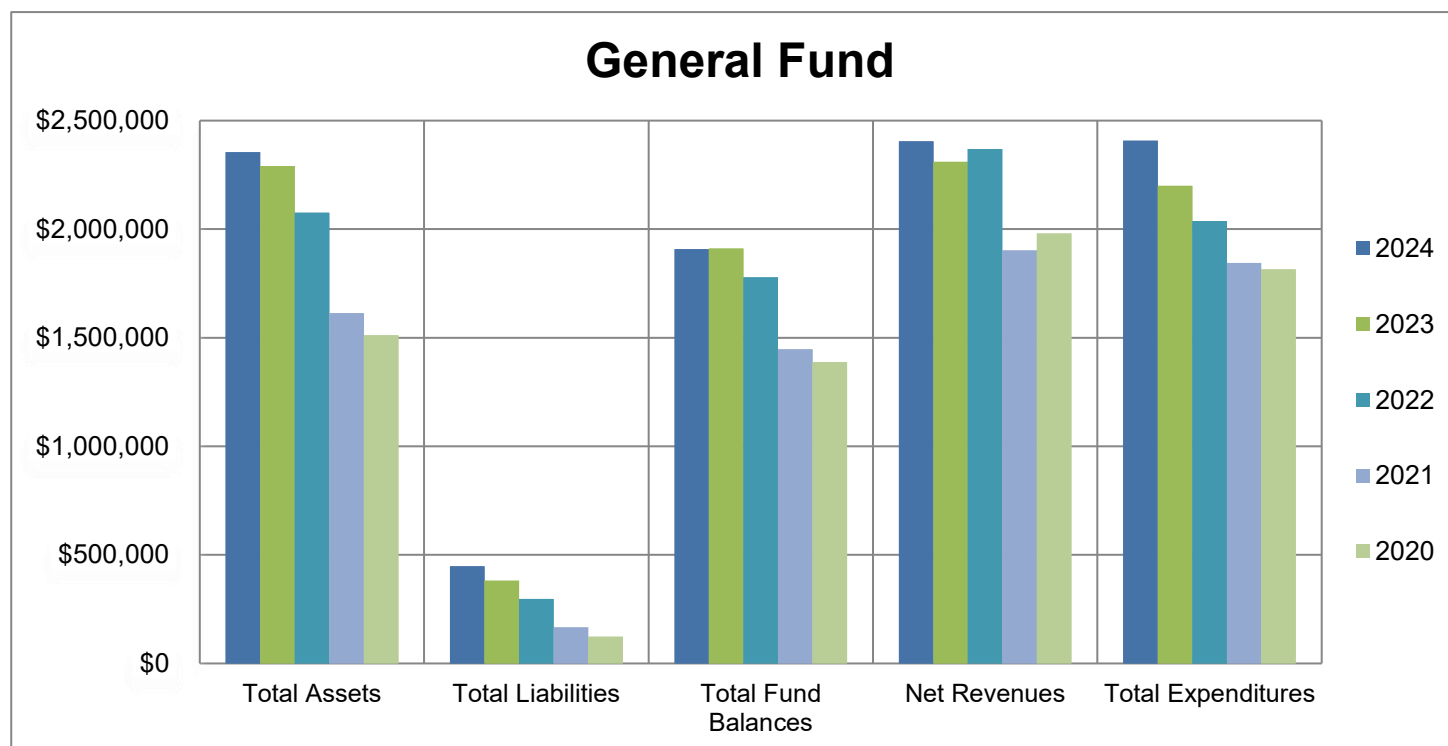
The County's capital assets records are summarized below :

	December 31, 2024
Land	\$ 34,200
Buildings	2,222,109
Equipment	3,545,491
Total	<u>\$ 5,801,800</u>

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

Schedule 3-1

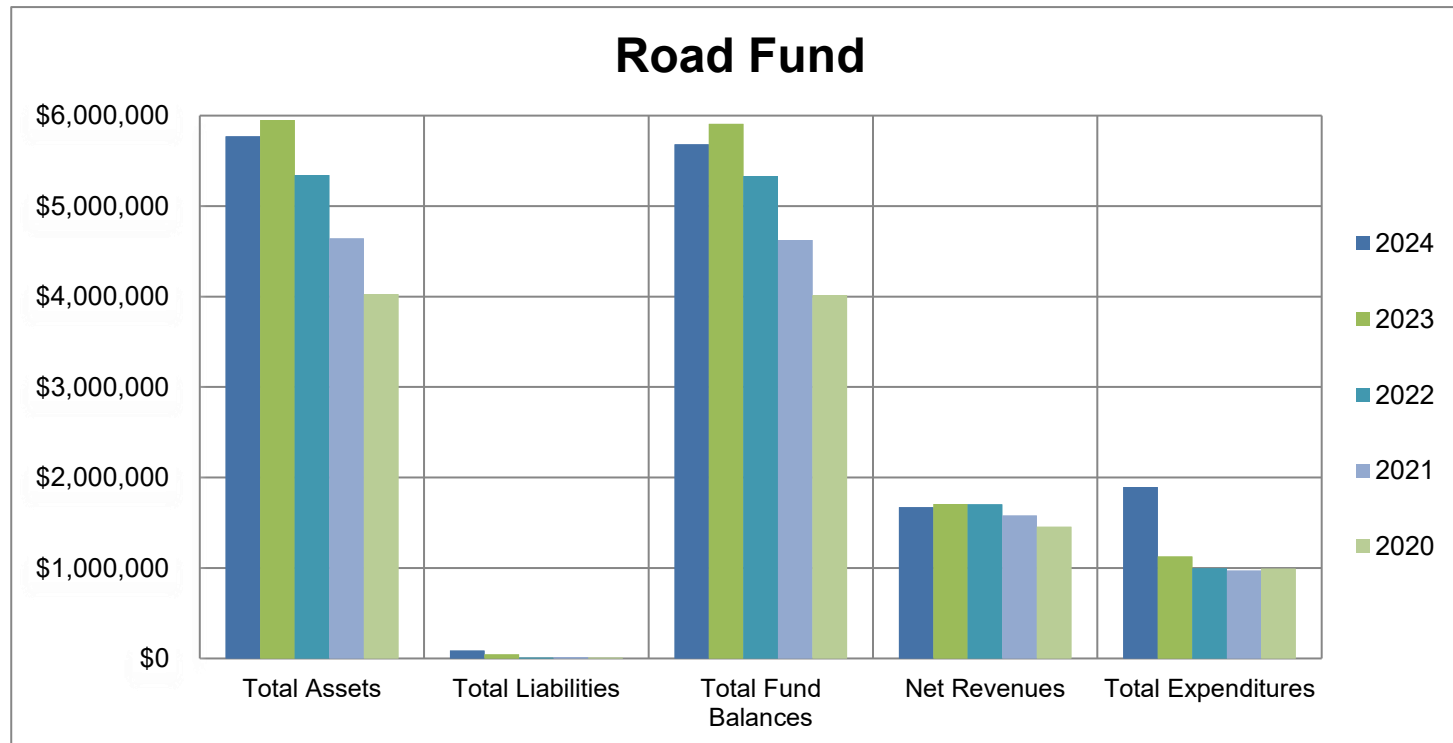
<u>General</u>	2024	2023	2022	2021	2020
Total Assets	\$ 2,354,787	\$ 2,291,134	\$ 2,075,615	\$ 1,612,381	\$ 1,511,813
Total Liabilities	446,755	380,811	297,724	166,182	123,571
Total Fund Balances	1,908,032	1,910,323	1,777,891	1,446,199	1,388,242
Net Revenues	2,404,389	2,309,951	2,369,626	1,902,620	1,979,493
Total Expenditures	2,406,680	2,199,773	2,037,934	1,844,663	1,814,730
Total Other Financing Sources/Uses					



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

Schedule 3-2

<u>Road</u>	2024	2023	2022	2021	2020
Total Assets	\$ 5,771,262	\$ 5,951,921	\$ 5,341,259	\$ 4,641,133	\$ 4,027,041
Total Liabilities	88,003	43,130	10,764	16,446	10,005
Total Fund Balances	5,683,259	5,908,791	5,330,495	4,624,687	4,017,036
Net Revenues	1,669,627	1,705,987	1,702,275	1,579,129	1,455,736
Total Expenditures	1,895,159	1,127,691	996,467	971,478	990,875
Total Other Financing Sources/Uses					



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Assets	\$ 6,877,972	\$ 4,835,061	\$ 4,199,381	\$ 2,282,111	\$ 1,467,490
Total Liabilities	4,438,140	2,203,906	1,352,169	185,473	217,843
Total Fund Balances	2,439,832	2,631,155	2,847,212	2,096,638	1,249,647
Net Revenues	463,519	556,579	1,413,098	1,124,966	468,717
Total Expenditures	654,842	772,636	662,524	277,975	374,889
Total Other Financing Sources/Uses					

