

**Polk County, Arkansas**

**Financial and Compliance Report**

**December 31, 2025**

LEGISLATIVE JOINT AUDITING COMMITTEE

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Financial and Compliance Report

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# Arkansas

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



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Polk 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 Polk County, Arkansas, as of and for the year ended December 31, 2025, and have issued our report thereon dated September 1, 2026. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The commentary contained in this section relates to the following officials who held office during 2025:

County Judge: Brandon Ellison  
Treasurer: Tanya Fretz  
Sheriff and Tax Collector: Scott Sawyer  
County Clerk: Lisa McCullen  
Circuit Clerk: Michelle Schnell  
Assessor: Jovan Thomas  
County Librarian: Rose Tedder

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

During our evaluation, nothing came to our attention that would warrant disclosure in this 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  
September 1, 2026  
LOCO05725

POLK COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2025  
(UNAUDITED)

Exhibit A

|                                     | General              | Road                | Other Funds<br>in the<br>Aggregate |
|-------------------------------------|----------------------|---------------------|------------------------------------|
| ASSETS                              |                      |                     |                                    |
| Cash and cash equivalents           | \$ 10,841,073        | \$ 1,905,226        | \$ 4,874,155                       |
| Accounts receivable                 | 138,878              | 13,311              | 178,274                            |
|                                     |                      |                     |                                    |
| TOTAL ASSETS                        | <u>\$ 10,979,951</u> | <u>\$ 1,918,537</u> | <u>\$ 5,052,429</u>                |
| LIABILITIES AND FUND BALANCES       |                      |                     |                                    |
| Liabilities:                        |                      |                     |                                    |
| Accounts payable                    | \$ 77,583            | \$ 229,843          | \$ 348,053                         |
| Settlements pending                 | 247,819              |                     | 140,810                            |
| Total Liabilities                   | <u>325,402</u>       | <u>229,843</u>      | <u>488,863</u>                     |
| Fund Balances:                      |                      |                     |                                    |
| Restricted                          | 1,324,834            | 1,688,694           | 4,547,840                          |
| Assigned                            | 315,193              |                     | 15,726                             |
| Unassigned                          | 9,014,522            |                     |                                    |
| Total Fund Balances                 | <u>10,654,549</u>    | <u>1,688,694</u>    | <u>4,563,566</u>                   |
|                                     |                      |                     |                                    |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 10,979,951</u> | <u>\$ 1,918,537</u> | <u>\$ 5,052,429</u>                |

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

POLK COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(UNAUDITED)

Exhibit B

|                                                   | General    | Road         | Other Funds<br>in the<br>Aggregate |
|---------------------------------------------------|------------|--------------|------------------------------------|
| REVENUES                                          |            |              |                                    |
| State aid                                         | \$ 609,066 | \$ 2,093,852 | \$ 338,747                         |
| Federal aid                                       | 607,972    |              | 142,258                            |
| Property taxes                                    | 988,216    | 117          | 102,682                            |
| Sales taxes                                       | 2,341,434  |              | 2,341,434                          |
| Fines, forfeitures, and costs                     | 251,486    |              | 55,633                             |
| Interest                                          | 293,137    | 58,060       | 128,121                            |
| Officers' fees                                    | 26,549     |              | 189,514                            |
| 911 fees                                          |            |              | 332,058                            |
| Insurance premiums                                | 66,145     |              |                                    |
| Jail fees                                         | 431,173    |              |                                    |
| School resource office reimbursement              | 539,731    |              |                                    |
| Treasurer's commission                            | 156,781    |              | 22,794                             |
| Collector's commission                            | 323,441    |              | 52,441                             |
| Taxes apportioned - Assessor's salary and expense | 434,428    |              |                                    |
| Other                                             | 475,085    | 118,825      | 87,744                             |
| TOTAL REVENUES                                    | 7,544,644  | 2,270,854    | 3,793,426                          |
| Less: Treasurer's commission                      | 65,099     | 32,395       | 46,674                             |
| NET REVENUES                                      | 7,479,545  | 2,238,459    | 3,746,752                          |
| EXPENDITURES                                      |            |              |                                    |
| Current:                                          |            |              |                                    |
| General government                                | 1,920,871  |              | 439,531                            |
| Law enforcement                                   | 3,508,201  |              | 662,443                            |
| Highways and streets                              | 348,150    | 2,413,668    | 1,786,589                          |
| Public safety                                     | 320,255    |              | 454,764                            |
| Health                                            | 35,267     |              |                                    |
| Recreation and culture                            |            |              | 137,826                            |
| Social services                                   | 196,657    |              |                                    |
| TOTAL EXPENDITURES                                | 6,329,401  | 2,413,668    | 3,481,153                          |

POLK COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2025  
(UNAUDITED)

Exhibit B

|                                                                                  | General                     | Road                       | Other Funds<br>in the<br>Aggregate |
|----------------------------------------------------------------------------------|-----------------------------|----------------------------|------------------------------------|
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES                                  | <u>\$ 1,150,144</u>         | <u>\$ (175,209)</u>        | <u>\$ 265,599</u>                  |
| OTHER FINANCING SOURCES (USES)                                                   |                             |                            |                                    |
| Transfers in                                                                     |                             |                            | 153,200                            |
| Transfers out                                                                    | <u>(153,200)</u>            |                            | <u></u>                            |
| TOTAL OTHER FINANCING SOURCES (USES)                                             | <u>(153,200)</u>            |                            | <u>153,200</u>                     |
| EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br>EXPENDITURES AND OTHER USES | 996,944                     | (175,209)                  | 418,799                            |
| FUND BALANCES - JANUARY 1                                                        | <u>9,657,605</u>            | <u>1,863,903</u>           | <u>4,144,767</u>                   |
| FUND BALANCES - DECEMBER 31                                                      | <u><u>\$ 10,654,549</u></u> | <u><u>\$ 1,688,694</u></u> | <u><u>\$ 4,563,566</u></u>         |

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

POLK 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, 2025  
(UNAUDITED)

Exhibit C

|                                                   | General    |            |                                        | Road         |              |                                        |
|---------------------------------------------------|------------|------------|----------------------------------------|--------------|--------------|----------------------------------------|
|                                                   | Budget     | Actual     | Variance<br>Favorable<br>(Unfavorable) | Budget       | Actual       | Variance<br>Favorable<br>(Unfavorable) |
| REVENUES                                          |            |            |                                        |              |              |                                        |
| State aid                                         | \$ 570,963 | \$ 609,066 | \$ 38,103                              | \$ 2,082,932 | \$ 2,093,852 | \$ 10,920                              |
| Federal aid                                       | 578,499    | 607,972    | 29,473                                 | 132,000      |              | (132,000)                              |
| Property taxes                                    | 886,800    | 988,216    | 101,416                                | 253          | 117          | (136)                                  |
| Sales taxes                                       | 1,900,000  | 2,341,434  | 441,434                                | 12,158       |              | (12,158)                               |
| Fines, forfeitures, and costs                     | 147,000    | 251,486    | 104,486                                |              |              |                                        |
| Interest                                          | 223,009    | 293,137    | 70,128                                 | 86,000       | 58,060       | (27,940)                               |
| Officers' fees                                    | 26,900     | 26,549     | (351)                                  |              |              |                                        |
| Insurance premiums                                |            | 66,145     | 66,145                                 |              |              |                                        |
| Jail fees                                         | 514,134    | 431,173    | (82,961)                               |              |              |                                        |
| School resource office reimbursement              |            | 539,731    | 539,731                                |              |              |                                        |
| Treasurer's commission                            | 200,000    | 156,781    | (43,219)                               |              |              |                                        |
| Collector's commission                            | 300,000    | 323,441    | 23,441                                 |              |              |                                        |
| Taxes apportioned - Assessor's salary and expense | 290,000    | 434,428    | 144,428                                |              |              |                                        |
| Other                                             | 1,025,164  | 475,085    | (550,079)                              | 96,881       | 118,825      | 21,944                                 |
| TOTAL REVENUES                                    | 6,662,469  | 7,544,644  | 882,175                                | 2,410,224    | 2,270,854    | (139,370)                              |
| Less: Treasurer's commission                      |            | 65,099     | (65,099)                               |              | 32,395       | (32,395)                               |
| NET REVENUES                                      | 6,662,469  | 7,479,545  | 817,076                                | 2,410,224    | 2,238,459    | (171,765)                              |
| EXPENDITURES                                      |            |            |                                        |              |              |                                        |
| Current:                                          |            |            |                                        |              |              |                                        |
| General government                                | 2,116,818  | 1,920,871  | 195,947                                |              |              |                                        |
| Law enforcement                                   | 4,008,190  | 3,508,201  | 499,989                                |              |              |                                        |
| Highways and streets                              | 367,000    | 348,150    | 18,850                                 | 3,328,277    | 2,413,668    | 914,609                                |
| Public safety                                     | 217,573    | 320,255    | (102,682)                              |              |              |                                        |
| Health                                            | 36,346     | 35,267     | 1,079                                  |              |              |                                        |
| Social services                                   | 204,685    | 196,657    | 8,028                                  |              |              |                                        |
| TOTAL EXPENDITURES                                | 6,950,612  | 6,329,401  | 621,211                                | 3,328,277    | 2,413,668    | 914,609                                |

POLK 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, 2025  
(UNAUDITED)

Exhibit C

|                                                                                  | General                    |                             |                                        | Road                     |                            |                                        |
|----------------------------------------------------------------------------------|----------------------------|-----------------------------|----------------------------------------|--------------------------|----------------------------|----------------------------------------|
|                                                                                  | Budget                     | Actual                      | Variance<br>Favorable<br>(Unfavorable) | Budget                   | Actual                     | Variance<br>Favorable<br>(Unfavorable) |
| EXCESS OF REVENUES OVER (UNDER)<br>EXPENDITURES                                  | <u>\$ (288,143)</u>        | <u>\$ 1,150,144</u>         | <u>\$ 1,438,287</u>                    | <u>\$ (918,053)</u>      | <u>\$ (175,209)</u>        | <u>\$ 742,844</u>                      |
| OTHER FINANCING SOURCES (USES)                                                   |                            |                             |                                        |                          |                            |                                        |
| Transfers in                                                                     | 54,677                     |                             | (54,677)                               |                          |                            |                                        |
| Transfers out                                                                    | <u>(318,186)</u>           | <u>(153,200)</u>            | <u>164,986</u>                         |                          |                            |                                        |
| TOTAL OTHER FINANCING SOURCES (USES)                                             | <u>(263,509)</u>           | <u>(153,200)</u>            | <u>110,309</u>                         |                          |                            |                                        |
| EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br>EXPENDITURES AND OTHER USES | (551,652)                  | 996,944                     | 1,548,596                              | (918,053)                | (175,209)                  | 742,844                                |
| FUND BALANCES - JANUARY 1                                                        | <u>8,158,906</u>           | <u>9,657,605</u>            | <u>1,498,699</u>                       | <u>1,176,719</u>         | <u>1,863,903</u>           | <u>687,184</u>                         |
| FUND BALANCES - DECEMBER 31                                                      | <u><u>\$ 7,607,254</u></u> | <u><u>\$ 10,654,549</u></u> | <u><u>\$ 3,047,295</u></u>             | <u><u>\$ 258,666</u></u> | <u><u>\$ 1,688,694</u></u> | <u><u>\$ 1,430,028</u></u>             |

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

POLK COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2025  
 (UNAUDITED)

Schedule 1

| SPECIAL REVENUE FUNDS               |                           |                           |                             |                                   |                        |                           |                   |                     |                       |
|-------------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------------|------------------------|---------------------------|-------------------|---------------------|-----------------------|
|                                     | Treasurer's<br>Automation | Collector's<br>Automation | Circuit Court<br>Automation | Assessor's<br>Amendment<br>no. 79 | County Clerk's<br>Cost | County<br>Recorder's Cost | County Library    | Reappraisal<br>Cost | Child Support<br>Cost |
| ASSETS                              |                           |                           |                             |                                   |                        |                           |                   |                     |                       |
| Cash and cash equivalents           | \$ 136,177                | \$ 120,755                | \$ 14,822                   | \$ 63,512                         | \$ 24,488              | \$ 391,483                | \$ 507,435        | \$ 22,956           | \$ 2,944              |
| Accounts receivable                 | 23,149                    | 52,756                    | 53                          | 199                               | 1,474                  | 14,934                    | 2,940             |                     | 9                     |
| TOTAL ASSETS                        | <u>\$ 159,326</u>         | <u>\$ 173,511</u>         | <u>\$ 14,875</u>            | <u>\$ 63,711</u>                  | <u>\$ 25,962</u>       | <u>\$ 406,417</u>         | <u>\$ 510,375</u> | <u>\$ 22,956</u>    | <u>\$ 2,953</u>       |
| LIABILITIES AND FUND BALANCES       |                           |                           |                             |                                   |                        |                           |                   |                     |                       |
| Liabilities:                        |                           |                           |                             |                                   |                        |                           |                   |                     |                       |
| Accounts payable                    |                           | \$ 6,758                  |                             |                                   |                        | \$ 15,480                 | \$ 1,186          | \$ 12,500           |                       |
| Settlements pending                 |                           |                           |                             |                                   |                        |                           |                   |                     |                       |
| Total Liabilities                   |                           | <u>6,758</u>              |                             |                                   |                        | <u>15,480</u>             | <u>1,186</u>      | <u>12,500</u>       |                       |
| Fund Balances:                      |                           |                           |                             |                                   |                        |                           |                   |                     |                       |
| Restricted                          | \$ 159,326                | 166,753                   | \$ 14,875                   | \$ 63,711                         | \$ 25,962              | 390,937                   | 509,189           | 10,456              | \$ 2,953              |
| Assigned                            |                           |                           |                             |                                   |                        |                           |                   |                     |                       |
| Total Fund Balances                 | <u>159,326</u>            | <u>166,753</u>            | <u>14,875</u>               | <u>63,711</u>                     | <u>25,962</u>          | <u>390,937</u>            | <u>509,189</u>    | <u>10,456</u>       | <u>2,953</u>          |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 159,326</u>         | <u>\$ 173,511</u>         | <u>\$ 14,875</u>            | <u>\$ 63,711</u>                  | <u>\$ 25,962</u>       | <u>\$ 406,417</u>         | <u>\$ 510,375</u> | <u>\$ 22,956</u>    | <u>\$ 2,953</u>       |

POLK COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2025  
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

|                                     | Drug Control    | Breathalyzer     | Jail Operation<br>and<br>Maintenance | County<br>Detention<br>Facility | Boating<br>Safety | Emergency<br>911  | Victim/Witness   | Indigent<br>Criminal<br>Defense | Adult Drug<br>Court |
|-------------------------------------|-----------------|------------------|--------------------------------------|---------------------------------|-------------------|-------------------|------------------|---------------------------------|---------------------|
| ASSETS                              |                 |                  |                                      |                                 |                   |                   |                  |                                 |                     |
| Cash and cash equivalents           | \$ 6,036        | \$ 13,821        | \$ 12,266                            | \$ 62,725                       | \$ 16,743         | \$ 104,105        | \$ 87            | \$ 6,010                        | \$ 2,770            |
| Accounts receivable                 | 182             | 86               | 32                                   | 1,874                           | 50                | 5,767             | 31,551           | 472                             | 1,154               |
| TOTAL ASSETS                        | <u>\$ 6,218</u> | <u>\$ 13,907</u> | <u>\$ 12,298</u>                     | <u>\$ 64,599</u>                | <u>\$ 16,793</u>  | <u>\$ 109,872</u> | <u>\$ 31,638</u> | <u>\$ 6,482</u>                 | <u>\$ 3,924</u>     |
| LIABILITIES AND FUND BALANCES       |                 |                  |                                      |                                 |                   |                   |                  |                                 |                     |
| Liabilities:                        |                 |                  |                                      |                                 |                   |                   |                  |                                 |                     |
| Accounts payable                    |                 |                  |                                      |                                 |                   | \$ 480            | \$ 1,800         | \$ 296                          | \$ 168              |
| Settlements pending                 |                 |                  |                                      |                                 |                   |                   |                  |                                 |                     |
| Total Liabilities                   |                 |                  |                                      |                                 |                   | <u>480</u>        | <u>1,800</u>     | <u>296</u>                      | <u>168</u>          |
| Fund Balances:                      |                 |                  |                                      |                                 |                   |                   |                  |                                 |                     |
| Restricted                          | \$ 6,218        | \$ 13,907        | \$ 12,298                            | \$ 64,599                       | \$ 16,793         | 105,783           | 29,838           | 6,186                           | 3,756               |
| Assigned                            |                 |                  |                                      |                                 |                   | 3,609             |                  |                                 |                     |
| Total Fund Balances                 | <u>6,218</u>    | <u>13,907</u>    | <u>12,298</u>                        | <u>64,599</u>                   | <u>16,793</u>     | <u>109,392</u>    | <u>29,838</u>    | <u>6,186</u>                    | <u>3,756</u>        |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 6,218</u> | <u>\$ 13,907</u> | <u>\$ 12,298</u>                     | <u>\$ 64,599</u>                | <u>\$ 16,793</u>  | <u>\$ 109,872</u> | <u>\$ 31,638</u> | <u>\$ 6,482</u>                 | <u>\$ 3,924</u>     |

POLK COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2025  
 (UNAUDITED)

Schedule 1

|                                            | SPECIAL REVENUE FUNDS     |                                        |                                         |                       |                                  |                                                               |                                   |                           |
|--------------------------------------------|---------------------------|----------------------------------------|-----------------------------------------|-----------------------|----------------------------------|---------------------------------------------------------------|-----------------------------------|---------------------------|
|                                            | Juvenile<br>Probation Fee | Circuit Clerk<br>Commissioner's<br>Fee | Assessor's<br>Late<br>Assessment<br>Fee | Federal<br>Forfeiture | Road<br>Improvement<br>Sales Tax | Office of<br>Emergency<br>Management<br>Safety Day<br>Program | Law<br>Enforcement<br>Block Grant | Bulletproof<br>Vest Grant |
| ASSETS                                     |                           |                                        |                                         |                       |                                  |                                                               |                                   |                           |
| Cash and cash equivalents                  | \$ 25,246                 | \$ 3,535                               | \$ 8,029                                | \$ 777                | \$ 2,643,471                     | \$ 1,168                                                      | \$ 8,963                          | \$ 979                    |
| Accounts receivable                        | 221                       | 11                                     | 60                                      | 2                     | 20,743                           | 3                                                             |                                   |                           |
| <b>TOTAL ASSETS</b>                        | <b>\$ 25,467</b>          | <b>\$ 3,546</b>                        | <b>\$ 8,089</b>                         | <b>\$ 779</b>         | <b>\$ 2,664,214</b>              | <b>\$ 1,171</b>                                               | <b>\$ 8,963</b>                   | <b>\$ 979</b>             |
| LIABILITIES AND FUND BALANCES              |                           |                                        |                                         |                       |                                  |                                                               |                                   |                           |
| Liabilities:                               |                           |                                        |                                         |                       |                                  |                                                               |                                   |                           |
| Accounts payable                           |                           |                                        |                                         |                       | \$ 307,098                       |                                                               |                                   |                           |
| Settlements pending                        |                           |                                        |                                         |                       |                                  |                                                               |                                   |                           |
| <b>Total Liabilities</b>                   |                           |                                        |                                         |                       | <b>307,098</b>                   |                                                               |                                   |                           |
| Fund Balances:                             |                           |                                        |                                         |                       |                                  |                                                               |                                   |                           |
| Restricted                                 | \$ 25,467                 | \$ 3,546                               | \$ 8,089                                | \$ 779                | 2,357,116                        | \$ 1,171                                                      | \$ 8,963                          | \$ 979                    |
| Assigned                                   |                           |                                        |                                         |                       |                                  |                                                               |                                   |                           |
| <b>Total Fund Balances</b>                 | <b>25,467</b>             | <b>3,546</b>                           | <b>8,089</b>                            | <b>779</b>            | <b>2,357,116</b>                 | <b>1,171</b>                                                  | <b>8,963</b>                      | <b>979</b>                |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b> | <b>\$ 25,467</b>          | <b>\$ 3,546</b>                        | <b>\$ 8,089</b>                         | <b>\$ 779</b>         | <b>\$ 2,664,214</b>              | <b>\$ 1,171</b>                                               | <b>\$ 8,963</b>                   | <b>\$ 979</b>             |

POLK COUNTY, ARKANSAS  
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
DECEMBER 31, 2025  
(UNAUDITED)

Schedule 1

| SPECIAL REVENUE FUNDS               |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
|-------------------------------------|-----------------------------------------------------|----------------------------|------------------------------------------------|------------------------------------|--------------------------------------------|----------------------------------|--------------------------------------------|------------------------------|------------------|
|                                     | Arkansas<br>Peer<br>Recovery<br>Specialist<br>Grant | Homeland<br>Security Grant | Stop Violence<br>Against<br>Women Act<br>Grant | Courthouse<br>Improvement<br>Grant | Communication<br>Facility and<br>Equipment | Juvenile Court<br>Representation | Adult Drug<br>Court - Opioid<br>Settlement | Overdose<br>Response<br>Team | Law Library      |
| ASSETS                              |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
| Cash and cash equivalents           | \$ 16,310                                           | \$ 772                     | \$ (924)                                       | \$ 82                              | \$ 25,010                                  | \$ 639                           | \$ 2,059                                   | \$ 11,418                    | \$ 80,686        |
| Accounts receivable                 |                                                     |                            | 13,041                                         |                                    |                                            | 11                               |                                            |                              |                  |
| TOTAL ASSETS                        | <u>\$ 16,310</u>                                    | <u>\$ 772</u>              | <u>\$ 12,117</u>                               | <u>\$ 82</u>                       | <u>\$ 25,010</u>                           | <u>\$ 650</u>                    | <u>\$ 2,059</u>                            | <u>\$ 11,418</u>             | <u>\$ 80,686</u> |
| LIABILITIES AND FUND BALANCES       |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
| Liabilities:                        |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
| Accounts payable                    |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
| Settlements pending                 |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
| Total Liabilities                   |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
| Fund Balances:                      |                                                     |                            |                                                |                                    |                                            |                                  |                                            |                              |                  |
| Restricted                          | \$ 16,310                                           | \$ 772                     |                                                | \$ 82                              | \$ 25,010                                  | \$ 650                           | \$ 2,059                                   | \$ 11,418                    | \$ 80,686        |
| Assigned                            |                                                     |                            | \$ 12,117                                      |                                    |                                            |                                  |                                            |                              |                  |
| Total Fund Balances                 | <u>16,310</u>                                       | <u>772</u>                 | <u>12,117</u>                                  | <u>82</u>                          | <u>25,010</u>                              | <u>650</u>                       | <u>2,059</u>                               | <u>11,418</u>                | <u>80,686</u>    |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 16,310</u>                                    | <u>\$ 772</u>              | <u>\$ 12,117</u>                               | <u>\$ 82</u>                       | <u>\$ 25,010</u>                           | <u>\$ 650</u>                    | <u>\$ 2,059</u>                            | <u>\$ 11,418</u>             | <u>\$ 80,686</u> |

POLK COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2025  
 (UNAUDITED)

Schedule 1

|                                     | SPECIAL REVENUE FUNDS |                                     | CUSTODIAL FUNDS         |                         |                       |                            |                             |                     |
|-------------------------------------|-----------------------|-------------------------------------|-------------------------|-------------------------|-----------------------|----------------------------|-----------------------------|---------------------|
|                                     | Drug Task<br>Force    | Public Safety<br>Equipment<br>Grant | Treasurer's<br>Accounts | Collector's<br>Accounts | Sheriff's<br>Accounts | County Clerk's<br>Accounts | Circuit Clerk's<br>Accounts | Totals              |
| ASSETS                              |                       |                                     |                         |                         |                       |                            |                             |                     |
| Cash and cash equivalents           | \$ 393,977            | \$ 2,013                            | \$ 48,599               | \$ 18                   | \$ 30,782             | \$ 14,451                  | \$ 46,960                   | \$ 4,874,155        |
| Accounts receivable                 | 7,500                 |                                     |                         |                         |                       |                            |                             | 178,274             |
| TOTAL ASSETS                        | <u>\$ 401,477</u>     | <u>\$ 2,013</u>                     | <u>\$ 48,599</u>        | <u>\$ 18</u>            | <u>\$ 30,782</u>      | <u>\$ 14,451</u>           | <u>\$ 46,960</u>            | <u>\$ 5,052,429</u> |
| LIABILITIES AND FUND BALANCES       |                       |                                     |                         |                         |                       |                            |                             |                     |
| Liabilities:                        |                       |                                     |                         |                         |                       |                            |                             |                     |
| Accounts payable                    | \$ 2,287              |                                     |                         |                         |                       |                            |                             | \$ 348,053          |
| Settlements pending                 |                       |                                     | \$ 48,599               | \$ 18                   | \$ 30,782             | \$ 14,451                  | \$ 46,960                   | 140,810             |
| Total Liabilities                   | <u>2,287</u>          |                                     | <u>48,599</u>           | <u>18</u>               | <u>30,782</u>         | <u>14,451</u>              | <u>46,960</u>               | <u>488,863</u>      |
| Fund Balances:                      |                       |                                     |                         |                         |                       |                            |                             |                     |
| Restricted                          | 399,190               | \$ 2,013                            |                         |                         |                       |                            |                             | 4,547,840           |
| Assigned                            |                       |                                     |                         |                         |                       |                            |                             | 15,726              |
| Total Fund Balances                 | <u>399,190</u>        | <u>2,013</u>                        |                         |                         |                       |                            |                             | <u>4,563,566</u>    |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 401,477</u>     | <u>\$ 2,013</u>                     | <u>\$ 48,599</u>        | <u>\$ 18</u>            | <u>\$ 30,782</u>      | <u>\$ 14,451</u>           | <u>\$ 46,960</u>            | <u>\$ 5,052,429</u> |

POLK 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, 2025  
 (UNAUDITED)

Schedule 2

|                                                                                          | SPECIAL REVENUE FUNDS     |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
|------------------------------------------------------------------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------------|------------------------|---------------------------|-------------------|---------------------|-----------------------|-----------------|
|                                                                                          | Treasurer's<br>Automation | Collector's<br>Automation | Circuit Court<br>Automation | Assessor's<br>Amendment<br>no. 79 | County Clerk's<br>Cost | County<br>Recorder's Cost | County Library    | Reappraisal<br>Cost | Child Support<br>Cost | Drug Control    |
| REVENUES                                                                                 |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| State aid                                                                                |                           |                           |                             | \$ 7,483                          |                        |                           | \$ 21,510         | \$ 123,725          |                       |                 |
| Federal aid                                                                              |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Property taxes                                                                           |                           |                           |                             |                                   |                        |                           | 101,784           |                     |                       |                 |
| Sales taxes                                                                              |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Fines, forfeitures, and costs                                                            |                           |                           | \$ 2,199                    |                                   |                        |                           |                   |                     |                       | \$ 791          |
| Interest                                                                                 | \$ 4,813                  | \$ 4,308                  | 543                         | 2,466                             | \$ 664                 | \$ 13,920                 | 12,258            | 17                  | \$ 104                | 70              |
| Officers' fees                                                                           |                           |                           |                             |                                   | 12,593                 | 148,717                   |                   |                     | 360                   |                 |
| 911 fees                                                                                 |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Treasurer's commission                                                                   | 22,794                    |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Collector's commission                                                                   |                           | 52,441                    |                             |                                   |                        |                           |                   |                     |                       |                 |
| Other                                                                                    | 1                         | 4                         |                             |                                   |                        | 1                         | 37,676            |                     |                       |                 |
| <b>TOTAL REVENUES</b>                                                                    | <b>27,608</b>             | <b>56,753</b>             | <b>2,742</b>                | <b>9,949</b>                      | <b>13,257</b>          | <b>162,638</b>            | <b>173,228</b>    | <b>123,742</b>      | <b>464</b>            | <b>861</b>      |
| Less: Treasurer's commission                                                             |                           |                           | 35                          | 118                               | 185                    | 2,318                     | 1,943             |                     | 6                     |                 |
| <b>NET REVENUES</b>                                                                      | <b>27,608</b>             | <b>56,753</b>             | <b>2,707</b>                | <b>9,831</b>                      | <b>13,072</b>          | <b>160,320</b>            | <b>171,285</b>    | <b>123,742</b>      | <b>458</b>            | <b>861</b>      |
| EXPENDITURES                                                                             |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Current:                                                                                 |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| General government                                                                       | 9,007                     | 25,400                    |                             | 9,225                             | 4,167                  | 222,776                   |                   | 148,779             | 177                   |                 |
| Law enforcement                                                                          |                           |                           | 2,506                       |                                   |                        |                           |                   |                     |                       | 500             |
| Highways and streets                                                                     |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Public safety                                                                            |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Recreation and culture                                                                   |                           |                           |                             |                                   |                        |                           | 137,826           |                     |                       |                 |
| <b>TOTAL EXPENDITURES</b>                                                                | <b>9,007</b>              | <b>25,400</b>             | <b>2,506</b>                | <b>9,225</b>                      | <b>4,167</b>           | <b>222,776</b>            | <b>137,826</b>    | <b>148,779</b>      | <b>177</b>            | <b>500</b>      |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b>                                  | <b>18,601</b>             | <b>31,353</b>             | <b>201</b>                  | <b>606</b>                        | <b>8,905</b>           | <b>(62,456)</b>           | <b>33,459</b>     | <b>(25,037)</b>     | <b>281</b>            | <b>361</b>      |
| OTHER FINANCING SOURCES (USES)                                                           |                           |                           |                             |                                   |                        |                           |                   |                     |                       |                 |
| Transfers in                                                                             |                           |                           |                             |                                   |                        |                           |                   | 52,000              |                       | 7,000           |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>18,601</b>             | <b>31,353</b>             | <b>201</b>                  | <b>606</b>                        | <b>8,905</b>           | <b>(62,456)</b>           | <b>33,459</b>     | <b>26,963</b>       | <b>281</b>            | <b>7,361</b>    |
| <b>FUND BALANCES - JANUARY 1</b>                                                         | <b>140,725</b>            | <b>135,400</b>            | <b>14,674</b>               | <b>63,105</b>                     | <b>17,057</b>          | <b>453,393</b>            | <b>475,730</b>    | <b>(16,507)</b>     | <b>2,672</b>          | <b>(1,143)</b>  |
| <b>FUND BALANCES - DECEMBER 31</b>                                                       | <b>\$ 159,326</b>         | <b>\$ 166,753</b>         | <b>\$ 14,875</b>            | <b>\$ 63,711</b>                  | <b>\$ 25,962</b>       | <b>\$ 390,937</b>         | <b>\$ 509,189</b> | <b>\$ 10,456</b>    | <b>\$ 2,953</b>       | <b>\$ 6,218</b> |

POLK 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, 2025  
 (UNAUDITED)

Schedule 2

|                                                                                          | SPECIAL REVENUE FUNDS |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
|------------------------------------------------------------------------------------------|-----------------------|--------------------------------------|---------------------------------|------------------|-------------------|------------------|---------------------------------|---------------------|---------------------------|----------------------------------------|
|                                                                                          | Breathalyzer          | Jail Operation<br>and<br>Maintenance | County<br>Detention<br>Facility | Boating Safety   | Emergency 911     | Victim/Witness   | Indigent<br>Criminal<br>Defense | Adult Drug<br>Court | Juvenile<br>Probation Fee | Circuit Clerk<br>Commissioner's<br>Fee |
| REVENUES                                                                                 |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| State aid                                                                                |                       |                                      |                                 | \$ 1,459         |                   |                  | \$ 1,314                        |                     |                           |                                        |
| Federal aid                                                                              |                       |                                      |                                 |                  |                   | \$ 65,918        |                                 |                     |                           |                                        |
| Property taxes                                                                           |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Sales taxes                                                                              |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Fines, forfeitures, and costs                                                            | \$ 709                |                                      | \$ 12,274                       |                  |                   | 16,925           | 6,329                           | \$ 2,893            | \$ 3,730                  |                                        |
| Interest                                                                                 | 462                   | \$ 421                               | 2,138                           | 709              | \$ 5,026          | 376              | 208                             | 88                  | 800                       | \$ 110                                 |
| Officers' fees                                                                           |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           | 425                                    |
| 911 fees                                                                                 |                       |                                      |                                 |                  | 332,058           |                  |                                 |                     |                           |                                        |
| Treasurer's commission                                                                   |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Collector's commission                                                                   |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Other                                                                                    |                       |                                      | 237                             |                  | 551               | 21,969           |                                 |                     |                           |                                        |
| <b>TOTAL REVENUES</b>                                                                    | <b>1,171</b>          | <b>421</b>                           | <b>14,649</b>                   | <b>2,168</b>     | <b>337,635</b>    | <b>105,188</b>   | <b>7,851</b>                    | <b>2,981</b>        | <b>4,530</b>              | <b>535</b>                             |
| Less: Treasurer's commission                                                             |                       |                                      | 184                             | 23               | 4,806             |                  | 21                              | 28                  | 58                        | 7                                      |
| <b>NET REVENUES</b>                                                                      | <b>1,171</b>          | <b>421</b>                           | <b>14,465</b>                   | <b>2,145</b>     | <b>332,829</b>    | <b>105,188</b>   | <b>7,830</b>                    | <b>2,953</b>        | <b>4,472</b>              | <b>528</b>                             |
| EXPENDITURES                                                                             |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Current:                                                                                 |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| General government                                                                       |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Law enforcement                                                                          |                       |                                      | 11,391                          |                  |                   | 126,020          | 5,839                           | 2,565               |                           |                                        |
| Highways and streets                                                                     |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Public safety                                                                            |                       |                                      |                                 | 5,439            | 449,325           |                  |                                 |                     |                           |                                        |
| Recreation and culture                                                                   |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| <b>TOTAL EXPENDITURES</b>                                                                |                       |                                      | <b>11,391</b>                   | <b>5,439</b>     | <b>449,325</b>    | <b>126,020</b>   | <b>5,839</b>                    | <b>2,565</b>        |                           |                                        |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b>                                  | <b>1,171</b>          | <b>421</b>                           | <b>3,074</b>                    | <b>(3,294)</b>   | <b>(116,496)</b>  | <b>(20,832)</b>  | <b>1,991</b>                    | <b>388</b>          | <b>4,472</b>              | <b>528</b>                             |
| OTHER FINANCING SOURCES (USES)                                                           |                       |                                      |                                 |                  |                   |                  |                                 |                     |                           |                                        |
| Transfers in                                                                             |                       |                                      |                                 |                  |                   | 46,700           |                                 |                     |                           |                                        |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>1,171</b>          | <b>421</b>                           | <b>3,074</b>                    | <b>(3,294)</b>   | <b>(116,496)</b>  | <b>25,868</b>    | <b>1,991</b>                    | <b>388</b>          | <b>4,472</b>              | <b>528</b>                             |
| <b>FUND BALANCES - JANUARY 1</b>                                                         | <b>12,736</b>         | <b>11,877</b>                        | <b>61,525</b>                   | <b>20,087</b>    | <b>225,888</b>    | <b>3,970</b>     | <b>4,195</b>                    | <b>3,368</b>        | <b>20,995</b>             | <b>3,018</b>                           |
| <b>FUND BALANCES - DECEMBER 31</b>                                                       | <b>\$ 13,907</b>      | <b>\$ 12,298</b>                     | <b>\$ 64,599</b>                | <b>\$ 16,793</b> | <b>\$ 109,392</b> | <b>\$ 29,838</b> | <b>\$ 6,186</b>                 | <b>\$ 3,756</b>     | <b>\$ 25,467</b>          | <b>\$ 3,546</b>                        |

POLK 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, 2025  
 (UNAUDITED)

Schedule 2

|                                                                                          | SPECIAL REVENUE FUNDS                |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
|------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|-----------------------|----------------------------------|------------------------------------------------------------|-----------------------------------|---------------------------|-----------------------------------------------|----------------------------|
|                                                                                          | Assessor's Late<br>Assessment<br>Fee | Automated<br>Records<br>System Grant | Federal<br>Forfeiture | Road<br>Improvement<br>Sales Tax | Office of<br>Emergency<br>Management Safety<br>Day Program | Law<br>Enforcement<br>Block Grant | Bulletproof Vest<br>Grant | Arkansas Peer<br>Recovery<br>Specialist Grant | Homeland<br>Security Grant |
| REVENUES                                                                                 |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| State aid                                                                                |                                      |                                      |                       |                                  |                                                            |                                   |                           | \$ 32,707                                     |                            |
| Federal aid                                                                              |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Property taxes                                                                           | \$ 898                               |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Sales taxes                                                                              |                                      |                                      |                       | \$ 2,341,434                     |                                                            |                                   |                           |                                               |                            |
| Fines, forfeitures, and costs                                                            |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Interest                                                                                 | 257                                  |                                      | \$ 27                 | 75,595                           | \$ 40                                                      |                                   |                           |                                               |                            |
| Officers' fees                                                                           |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| 911 fees                                                                                 |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Treasurer's commission                                                                   |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Collector's commission                                                                   |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Other                                                                                    |                                      |                                      |                       | 19,553                           |                                                            |                                   |                           |                                               |                            |
| <b>TOTAL REVENUES</b>                                                                    | <b>1,155</b>                         |                                      | <b>27</b>             | <b>2,436,582</b>                 | <b>40</b>                                                  |                                   |                           | <b>32,707</b>                                 |                            |
| Less: Treasurer's commission                                                             |                                      |                                      |                       | 36,940                           |                                                            |                                   |                           |                                               |                            |
| <b>NET REVENUES</b>                                                                      | <b>1,155</b>                         |                                      | <b>27</b>             | <b>2,399,642</b>                 | <b>40</b>                                                  |                                   |                           | <b>32,707</b>                                 |                            |
| EXPENDITURES                                                                             |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Current:                                                                                 |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| General government                                                                       |                                      | \$ 20,000                            |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Law enforcement                                                                          |                                      |                                      |                       |                                  |                                                            |                                   |                           | 37,418                                        |                            |
| Highways and streets                                                                     |                                      |                                      |                       | 1,786,589                        |                                                            |                                   |                           |                                               |                            |
| Public safety                                                                            |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Recreation and culture                                                                   |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| <b>TOTAL EXPENDITURES</b>                                                                |                                      | <b>20,000</b>                        |                       | <b>1,786,589</b>                 |                                                            |                                   |                           | <b>37,418</b>                                 |                            |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b>                                  | <b>1,155</b>                         | <b>(20,000)</b>                      | <b>27</b>             | <b>613,053</b>                   | <b>40</b>                                                  |                                   |                           | <b>(4,711)</b>                                |                            |
| OTHER FINANCING SOURCES (USES)                                                           |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| Transfers in                                                                             |                                      |                                      |                       |                                  |                                                            |                                   |                           |                                               |                            |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>1,155</b>                         | <b>(20,000)</b>                      | <b>27</b>             | <b>613,053</b>                   | <b>40</b>                                                  |                                   |                           | <b>(4,711)</b>                                |                            |
| FUND BALANCES - JANUARY 1                                                                | 6,934                                | 20,000                               | 752                   | 1,744,063                        | 1,131                                                      | \$ 8,963                          | \$ 979                    | 21,021                                        | \$ 772                     |
| FUND BALANCES - DECEMBER 31                                                              | \$ 8,089                             | \$ 0                                 | \$ 779                | \$ 2,357,116                     | \$ 1,171                                                   | \$ 8,963                          | \$ 979                    | \$ 16,310                                     | \$ 772                     |

POLK 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, 2025  
 (UNAUDITED)

Schedule 2

|                                                                                          | SPECIAL REVENUE FUNDS                       |                                    |                                            |                                  |                                            |                              |                  |                    |                                     |                     |
|------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------|--------------------------------------------|----------------------------------|--------------------------------------------|------------------------------|------------------|--------------------|-------------------------------------|---------------------|
|                                                                                          | Stop Violence<br>Against Women<br>Act Grant | Courthouse<br>Improvement<br>Grant | Communication<br>Facility and<br>Equipment | Juvenile Court<br>Representation | Adult Drug<br>Court - Opioid<br>Settlement | Overdose<br>Response<br>Team | Law Library      | Drug Task<br>Force | Public Safety<br>Equipment<br>Grant | Totals              |
| REVENUES                                                                                 |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     |                     |
| State aid                                                                                |                                             |                                    |                                            |                                  |                                            |                              |                  | \$ 150,549         |                                     | \$ 338,747          |
| Federal aid                                                                              | \$ 54,110                                   |                                    |                                            |                                  |                                            |                              |                  | 22,230             |                                     | 142,258             |
| Property taxes                                                                           |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 102,682             |
| Sales taxes                                                                              |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 2,341,434           |
| Fines, forfeitures, and costs                                                            |                                             |                                    |                                            | \$ 140                           |                                            |                              | \$ 9,643         |                    |                                     | 55,633              |
| Interest                                                                                 |                                             |                                    | \$ 23                                      |                                  |                                            |                              | 2,678            |                    |                                     | 128,121             |
| Officers' fees                                                                           |                                             |                                    | 27,419                                     |                                  |                                            |                              |                  |                    |                                     | 189,514             |
| 911 fees                                                                                 |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 332,058             |
| Treasurer's commission                                                                   |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 22,794              |
| Collector's commission                                                                   |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 52,441              |
| Other                                                                                    | 73                                          |                                    | 179                                        |                                  |                                            |                              |                  | 7,500              |                                     | 87,744              |
| <b>TOTAL REVENUES</b>                                                                    | <b>54,183</b>                               |                                    | <b>27,621</b>                              | <b>140</b>                       |                                            |                              | <b>12,321</b>    | <b>180,279</b>     |                                     | <b>3,793,426</b>    |
| Less: Treasurer's commission                                                             |                                             |                                    |                                            | 2                                |                                            |                              |                  |                    |                                     | 46,674              |
| <b>NET REVENUES</b>                                                                      | <b>54,183</b>                               |                                    | <b>27,621</b>                              | <b>138</b>                       |                                            |                              | <b>12,321</b>    | <b>180,279</b>     |                                     | <b>3,746,752</b>    |
| EXPENDITURES                                                                             |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     |                     |
| Current:                                                                                 |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     |                     |
| General government                                                                       |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 439,531             |
| Law enforcement                                                                          | 72,385                                      |                                    | 30,088                                     |                                  | \$ 17,919                                  | \$ 205,096                   | 2,475            | 148,241            |                                     | 662,443             |
| Highways and streets                                                                     |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 1,786,589           |
| Public safety                                                                            |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 454,764             |
| Recreation and culture                                                                   |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     | 137,826             |
| <b>TOTAL EXPENDITURES</b>                                                                | <b>72,385</b>                               |                                    | <b>30,088</b>                              |                                  | <b>17,919</b>                              | <b>205,096</b>               | <b>2,475</b>     | <b>148,241</b>     |                                     | <b>3,481,153</b>    |
| <b>EXCESS OF REVENUES OVER (UNDER)<br/>EXPENDITURES</b>                                  | <b>(18,202)</b>                             |                                    | <b>(2,467)</b>                             | <b>138</b>                       | <b>(17,919)</b>                            | <b>(205,096)</b>             | <b>9,846</b>     | <b>32,038</b>      |                                     | <b>265,599</b>      |
| OTHER FINANCING SOURCES (USES)                                                           |                                             |                                    |                                            |                                  |                                            |                              |                  |                    |                                     |                     |
| Transfers in                                                                             | 25,000                                      |                                    |                                            |                                  |                                            |                              |                  | 22,500             |                                     | 153,200             |
| <b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)<br/>EXPENDITURES AND OTHER USES</b> | <b>6,798</b>                                |                                    | <b>(2,467)</b>                             | <b>138</b>                       | <b>(17,919)</b>                            | <b>(205,096)</b>             | <b>9,846</b>     | <b>54,538</b>      |                                     | <b>418,799</b>      |
| <b>FUND BALANCES - JANUARY 1</b>                                                         | <b>5,319</b>                                | <b>\$ 82</b>                       | <b>27,477</b>                              | <b>512</b>                       | <b>19,978</b>                              | <b>216,514</b>               | <b>70,840</b>    | <b>344,652</b>     | <b>\$ 2,013</b>                     | <b>4,144,767</b>    |
| <b>FUND BALANCES - DECEMBER 31</b>                                                       | <b>\$ 12,117</b>                            | <b>\$ 82</b>                       | <b>\$ 25,010</b>                           | <b>\$ 650</b>                    | <b>\$ 2,059</b>                            | <b>\$ 11,418</b>             | <b>\$ 80,686</b> | <b>\$ 399,190</b>  | <b>\$ 2,013</b>                     | <b>\$ 4,563,566</b> |

POLK COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
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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. Also, Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee collected by the County Clerk to be used for the operation of the office of the county clerk. |
| 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 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. Polk County Ordinance no. 2011-2 (February 23, 2011) established a drug enforcement fund (pursuant to Ark. Code Ann. § 14-21-201) to be administered by the Sheriff.                                |
| Breathalyzer                   | Ark. Code Ann. § 16-10-307 established fund to receive revenues generated from court costs to be used to maintain and purchase breathalyzer.                                                                                                                                                                                           |
| 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.                                                                                            |

POLK COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
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The following funds and descriptions represent all funds reported as other funds in the aggregate.

| <u>Fund Name</u>                 | <u>Fund Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| County Detention Facility        | Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.                                                                                                                                                                                               |
| Boating Safety                   | Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.                                                                                                                                                                                                                                                                                                                                                      |
| Emergency 911                    | Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Victim/Witness                   | Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program. Federal grants received from the United States Department of Justice to be used for Victims of Crime and Victims of Crime - Stop Violence Against Women Act programs operated by the Prosecuting Attorney.                                                                                                                                                                                              |
| Indigent Criminal Defense        | Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense and representation of indigent persons. Ark. Code Ann. § 17-19-301 authorized a bail bond fee of twenty dollars (\$20) to be collected, which shall all be remitted to the Arkansas Public Defender Commission. Three dollars (\$3) of each fee is remitted back to the County quarterly to be used to defray the operating expenses of the public defender office. |
| 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 Fee           | Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.                                                                                                                                                                                                                                                                                                                                                  |
| Circuit Clerk Commissioner's Fee | Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.                                                                                                                                                                                                           |
| Assessor's Late Assessment Fee   | Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.                                                                                                                                                                                                                                                                                                                                                                                |
| Automated Records System Grant   | Established to account for an Association of Arkansas Counties Automated Records Fund Grant, authorized by Ark. Code Ann. § 14-20-107, to purchase technology to improve the automation of the Circuit Clerk's office and/or the services that office may provide.                                                                                                                                                                                                                                                                                                  |

POLK COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
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(UNAUDITED)

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

| <u>Fund Name</u>                                  | <u>Fund Description</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Federal Forfeiture                                | Funds received from United States Adoptive Seizure Program for County's share of proceeds from sale of seized property from federal drug cases to be used for law enforcement purposes.                                                                                                                                                                                                                                                                                                                      |
| Road Improvement Sales Tax                        | Polk County Ordinance no. 2007-4 (March 13, 2007) established fund to receive revenue from a county-wide sales tax for financing the maintenance and improvement of roads and bridges within the County, including related drainage improvements and the acquisition of road equipment.                                                                                                                                                                                                                      |
| Office of Emergency Management Safety Day Program | Established in 2008 with donations from local merchants. Funds to be used on the Office of Emergency Management Safety Day Project.                                                                                                                                                                                                                                                                                                                                                                          |
| Law Enforcement Block Grant                       | Federal funds received from a Local Law Enforcement Block Grant from the Department of Justice passed through the Arkansas Department of Finance and Administration Office of Intergovernmental Services.                                                                                                                                                                                                                                                                                                    |
| Bulletproof Vest Grant                            | Federal grant received from United States Department of Justice, Bulletproof Vest Partnership Grant Program for the purpose of purchasing bulletproof vests for law enforcement officers.                                                                                                                                                                                                                                                                                                                    |
| Arkansas Peer Recovery Specialist Grant           | Established to account for a grant from the Opioid Settlement Grant Fund to fund the position of a Peer Support Specialist.                                                                                                                                                                                                                                                                                                                                                                                  |
| Homeland Security Grant                           | Established to account for federal grants received through the Arkansas Department of Emergency Management for Homeland Security and Law Enforcement Terrorism Prevention Program for the purpose of purchasing equipment.                                                                                                                                                                                                                                                                                   |
| Stop Violence Against Women Act Grant             | Federal grants received from the US Department of Justice through the Arkansas Department of Finance and Administration for law enforcement expenses relating to crimes against women.                                                                                                                                                                                                                                                                                                                       |
| Courthouse Improvement Grant                      | Established to account for grant received from the Arkansas Historic Preservation Program, an agency of the Department of Finance and Administration for a comprehensive condition assessment and historic structure report. Additionally, a state grant received from the General Improvement Fund Department of Rural Services for the power washing and water sealing of the courthouse exterior.                                                                                                         |
| Communication Facility and Equipment              | Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department. |

POLK COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
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The following funds and descriptions represent all funds reported as other funds in the aggregate.

| <u>Fund Name</u>                     | <u>Fund Description</u>                                                                                                                                                                                                                                                                                                                                           |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Juvenile Court Representation        | Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile cases.                                                                                                                                                                                                                                                        |
| Adult Drug Court - Opioid Settlement | Established to account for a grant from State-Wide Opioid Settlement proceeds to be used for evidence-based, evidence-informed, or promising activities, programs, or strategies that expand the availability of treatment for individuals affected by substance use disorders.                                                                                   |
| Public Safety Equipment Grant        | Ark. Code Ann. § 12-1-103 established fund to account for a grant received from the Arkansas Public Safety Equipment Grant Program for the purchase of law enforcement equipment aiding in improving trust and relationships between law enforcement and their communities.                                                                                       |
| Drug Task Force                      | Ark. Code Ann. §§ 12-17-101 - 107 created the State Drug Crime Enforcement and Prosecution Grant Fund for the purpose of funding state grant awards for multi-jurisdictional drug crime task forces to investigate and prosecute drug crimes.                                                                                                                     |
| Overdose Response Team               | Polk County Ordinance no. 2024-26 (December 17, 2024) established fund to receive revenue from the Arkansas Opioid Recovery Partnership. These funds were made available to the 18th West Judicial District Overdose Response Team to better serve citizens of Montgomery and Polk Counties, who suffer from or are connected to someone with an opioid disorder. |
| Law Library                          | Ark. Code Ann. § 16-10-307 established fund to receive costs to be used for any purpose related to establishment, maintenance, and operations of a county law library.                                                                                                                                                                                            |

Treasurer's accounts consist primarily of employee insurance and interest 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 inmate trust money.

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

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

POLK COUNTY, ARKANSAS  
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**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 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 Fund presented on Schedule 1 is 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.

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.

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1. (Continued)

**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, funds held in trust, and interest 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.

**D. Property Taxes**

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

**E. Budget Law**

1. Legal Requirements

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

2. Accounting

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

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

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

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

There were no committed fund balances at year-end.

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**2. Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2025, are composed of the following:

| Description            | General Fund         | Road Fund           | Other Funds in the Aggregate |
|------------------------|----------------------|---------------------|------------------------------|
| Fund Balances:         |                      |                     |                              |
| Restricted for:        |                      |                     |                              |
| General government     | \$ 1,324,834         |                     | \$ 831,815                   |
| Law enforcement        |                      |                     | 723,188                      |
| Highways and streets   |                      | \$ 1,688,694        | 2,357,116                    |
| Public safety          |                      |                     | 126,532                      |
| Recreation and culture |                      |                     | 509,189                      |
| Total Restricted       | <u>1,324,834</u>     | <u>1,688,694</u>    | <u>4,547,840</u>             |
| Assigned to:           |                      |                     |                              |
| Law enforcement        | 315,193              |                     | 12,117                       |
| Public safety          |                      |                     | 3,609                        |
| Total Assigned         | <u>315,193</u>       |                     | <u>15,726</u>                |
| Unassigned             | <u>9,014,522</u>     |                     |                              |
| Totals                 | <u>\$ 10,654,549</u> | <u>\$ 1,688,694</u> | <u>\$ 4,563,566</u>          |

**3. Commitments**

Total commitments consist of the following at December 31, 2025:

|                       |                      |
|-----------------------|----------------------|
|                       | December 31,<br>2025 |
| Long-term liabilities | \$ 284,737           |
| Reappraisal contract  | <u>300,000</u>       |
| Total Commitments     | <u>\$ 584,737</u>    |

Long-term Liabilities

Long-term liabilities at December 31, 2025, are comprised of the following:

|                                                                                                    |                      |
|----------------------------------------------------------------------------------------------------|----------------------|
|                                                                                                    | December 31,<br>2025 |
| Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost | <u>\$ 284,737</u>    |

Change in Compensated Absences

|                                        |                      |
|----------------------------------------|----------------------|
|                                        | December 31,<br>2025 |
| Beginning balance compensated absences | \$ 266,462           |
| Ending balance compensated absences    | <u>284,737</u>       |
| Net increase (decrease)                | <u>\$ 18,275</u>     |

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**3. Commitments (Continued)**

Post Employment Benefits Other Than Pensions

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

County-Wide Reappraisal Contract

The County entered into a contract with Arkansas CAMA Technology, Inc. on October 6, 2023, for a county-wide reappraisal. The County is obligated for 48 monthly payments of \$12,500 for a total of \$600,000 beginning February 1, 2024, with the final invoice to be dated December 31, 2027. Contract expense for 2025, was \$150,000.

The County is obligated for the following amounts at December 31, 2025:

| <u>Year</u> | <u>December 31, 2025</u> |
|-------------|--------------------------|
| 2026        | \$ 150,000               |
| 2027        | 150,000                  |
| Total       | <u>\$ 300,000</u>        |

**4. Interfund Transfers**

The General Fund transferred \$153,200 to Other Funds in the Aggregate. This amount represented supplemental funding to Reappraisal Cost; Drug Control; Victim/Witness; Stop Violence Against Women Act Grant; and Drug Task Force Funds in the amounts of \$52,000, \$7,000, \$46,700, \$25,000 and \$22,500, respectively.

**5. Joint Ventures**

Ouachita Mountains Regional Library

Polk and Montgomery Counties entered into an agreement on March 23, 2010, in accordance with Ark. Code Ann. § 13-2-401 to establish the Ouachita Mountains Regional Library (OMRL). The agreement states the OMRL is to be governed by a six-member board consisting of three members from the Polk County Library Board and three members from the Montgomery County Library Board. The agreement states that on a per capita revenue received by the OMRL from the Arkansas State Library is prorated to the member county Library Boards on a per capita basis. Each member board contributes 10% of these revenues to the OMRL. The County Library did not pay any regional library expenditures in 2025. Separate financial statements of the OMRL are available at 145A Whittington Street, Mt. Ida, Arkansas 71957.

Eighteenth-West Judicial District Drug Crime Task Force

The Eighteenth-West Judicial District Drug Crime Task Force (Task Force) was established under the provisions of the Anti-drug Act of 1988 and Memorandum of Understanding agreements approved each grant year. The Task Force governing body consists of the Eighteenth-West Judicial District Prosecuting Attorney, Polk County Sheriff, and Montgomery County Sheriff. The term of the agreement is for the period July 1, 2025 to June 30, 2026. The agreement states that each member will contribute \$15,000 annually. In 2025, Polk County contributed \$22,500 for the Polk County Sheriff.

**6. Jointly Governed Organization**

Upper Southwest Arkansas Regional Solid Waste Management District

The Upper Southwest Arkansas Regional Solid Waste Management District (USWARSWMD) is a jointly governed organization comprised of representatives from Howard, Pike, Sevier, Little River, Hempstead, Lafayette, Montgomery, Nevada, and Polk Counties and the participating cities within the aforementioned counties. The District is governed by a Board of Directors consisting of the respective county judges and mayors of the county seats for the area served unless some other representatives are appointed by the respective entity. The County did not make any payment to or on behalf of USWARSWMD in 2025. Separate audited financial statements of the USWARSWMD are available at [www.arklegaudit.gov](http://www.arklegaudit.gov).

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 6.00% as of July 1, 2025. 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, 2025, (date of APERS Employer Allocation Report) were \$701,167.

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, 2025, (actuarial valuation date and measurement date) was \$4,012,602.

**8. Capital Assets**

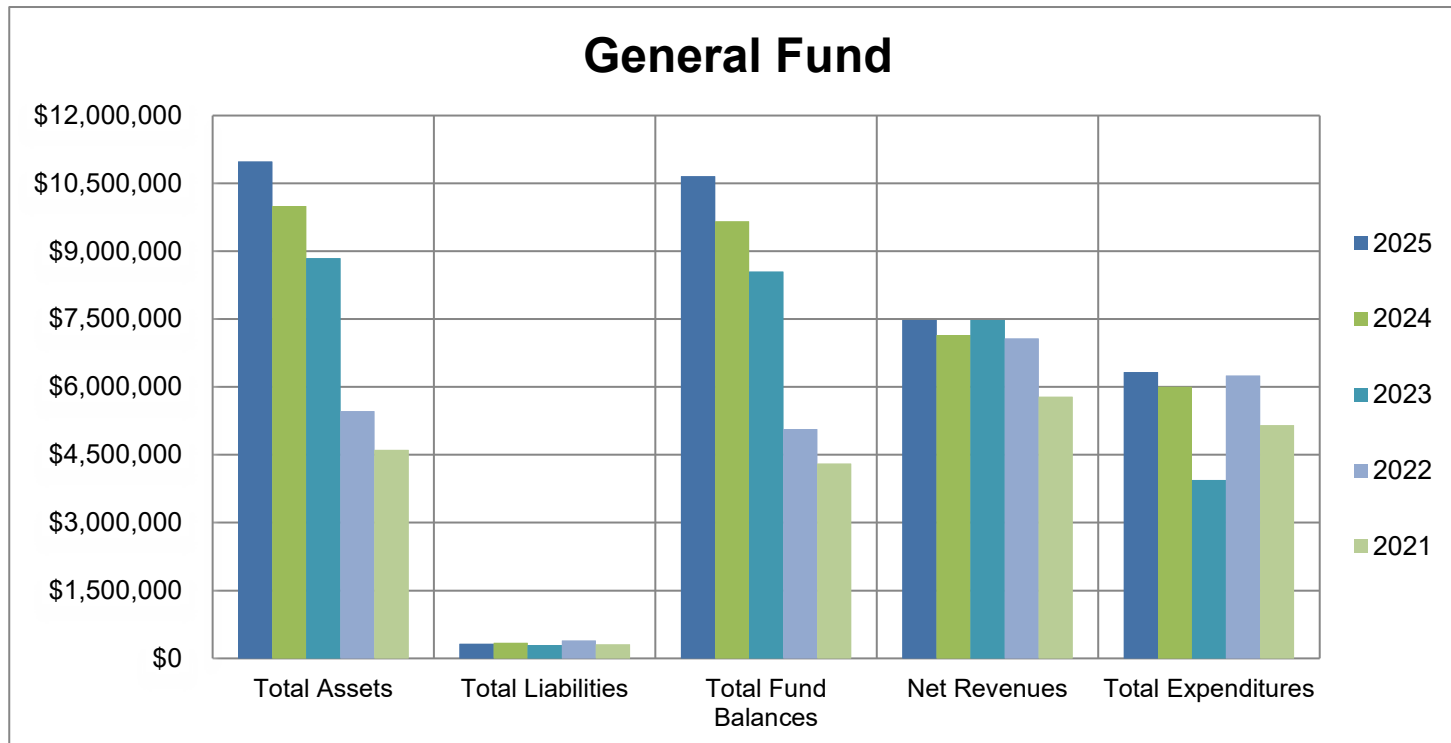
The County's capital assets records are summarized below :

|           | December 31,<br>2025 |
|-----------|----------------------|
| Land      | \$ 3,128,407         |
| Buildings | 3,229,562            |
| Equipment | 11,240,000           |
| Total     | <u>\$ 17,597,969</u> |

POLK COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
DECEMBER 31, 2025  
(UNAUDITED)

Schedule 3-1

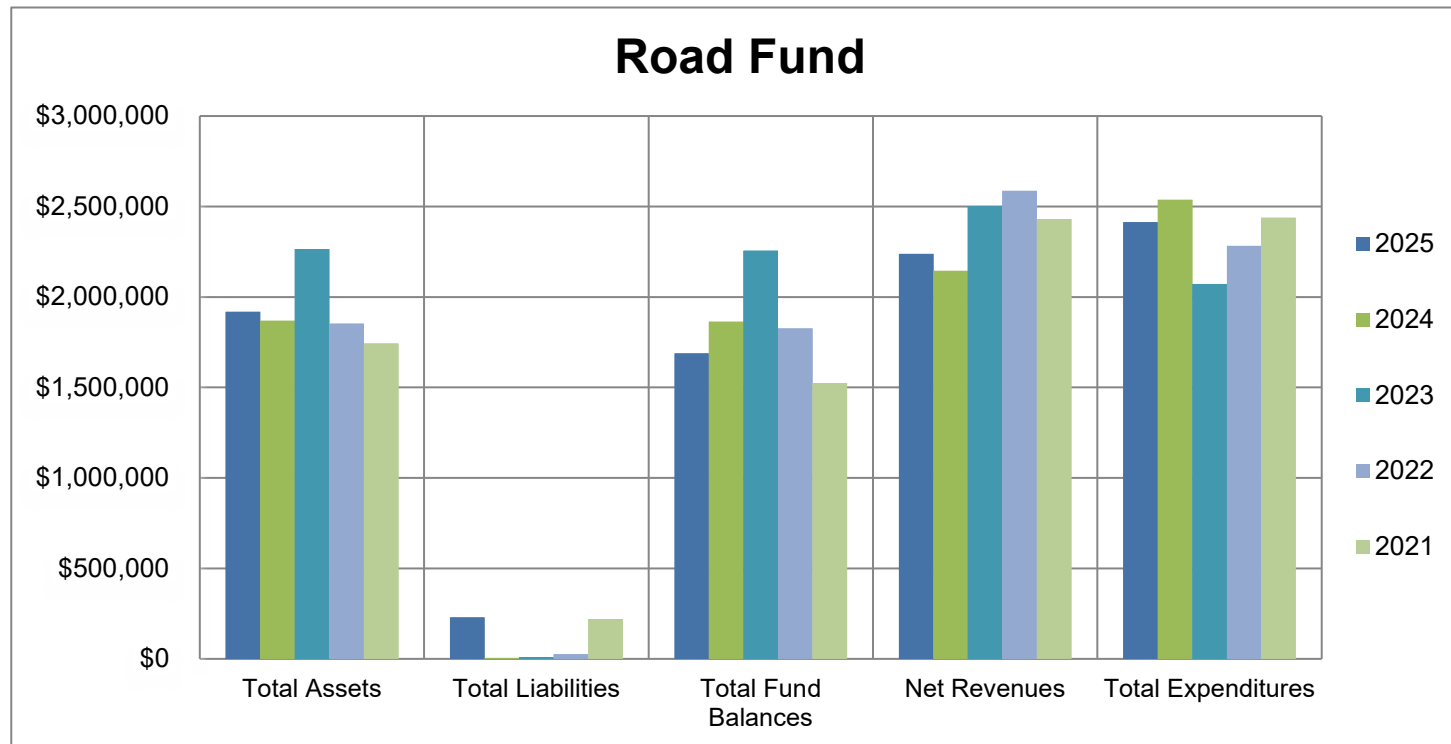
| <u>General</u>                     | 2025          | 2024         | 2023         | 2022         | 2021         |
|------------------------------------|---------------|--------------|--------------|--------------|--------------|
| Total Assets                       | \$ 10,979,951 | \$ 9,999,241 | \$ 8,844,052 | \$ 5,461,741 | \$ 4,611,291 |
| Total Liabilities                  | 325,402       | 341,636      | 296,866      | 393,583      | 305,888      |
| Total Fund Balances                | 10,654,549    | 9,657,605    | 8,547,186    | 5,068,158    | 4,305,403    |
| Net Revenues                       | 7,479,545     | 7,150,131    | 7,479,870    | 7,071,256    | 5,781,496    |
| Total Expenditures                 | 6,329,401     | 6,004,161    | 3,947,386    | 6,250,043    | 5,156,239    |
| Total Other Financing Sources/Uses | (153,200)     | (35,551)     | (53,456)     | (58,458)     | (47,177)     |



POLK COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
DECEMBER 31, 2025  
(UNAUDITED)

Schedule 3-2

| <b>Road</b>         | 2025         | 2024         | 2023         | 2022         | 2021         |
|---------------------|--------------|--------------|--------------|--------------|--------------|
| Total Assets        | \$ 1,918,537 | \$ 1,867,999 | \$ 2,265,353 | \$ 1,852,258 | \$ 1,743,047 |
| Total Liabilities   | 229,843      | 4,096        | 8,944        | 26,032       | 220,068      |
| Total Fund Balances | 1,688,694    | 1,863,903    | 2,256,409    | 1,826,226    | 1,522,979    |
| Net Revenues        | 2,238,459    | 2,144,055    | 2,501,319    | 2,585,937    | 2,431,195    |
| Total Expenditures  | 2,413,668    | 2,536,561    | 2,071,136    | 2,282,690    | 2,437,697    |



POLK COUNTY, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
DECEMBER 31, 2025  
(UNAUDITED)

Schedule 3-3

| <b>Other Funds in the Aggregate</b> | <b>2025</b>  | <b>2024</b>  | <b>2023</b>  | <b>2022</b>  | <b>2021</b>  |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total Assets                        | \$ 5,052,429 | \$ 4,544,144 | \$ 3,869,027 | \$ 5,630,282 | \$ 4,639,066 |
| Total Liabilities                   | 488,863      | 399,377      | 496,068      | 169,427      | 392,429      |
| Total Fund Balances                 | 4,563,566    | 4,144,767    | 3,372,959    | 5,460,855    | 4,246,637    |
| Net Revenues                        | 3,746,752    | 4,052,380    | 3,829,728    | 5,257,741    | 5,127,004    |
| Total Expenditures                  | 3,481,153    | 3,316,123    | 5,971,080    | 4,401,752    | 4,653,268    |
| Total Other Financing Sources/Uses  | 153,200      | 35,551       | 53,456       | 58,458       | 47,177       |

