

Sharp County, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Financial and Compliance Report

REGULATORY BASIS FINANCIAL STATEMENTS

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

SUPPLEMENTARY INFORMATION

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

Arkansas

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Sen. John Payton
Senate Vice Chair



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

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Sharp 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 Sharp County, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated October 10, 2024. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The finding contained in this section relates to the following officials who held office during 2023:

County Judge: Mark Counts
Treasurer: Wanda Girtman
Sheriff: Shane Russell
Tax Collector: Michelle Daggett
County/Circuit Clerk: Alisa Black
Assessor: Kathy Nix
County Librarian Hardy branch: Jennifer Royce (hired February 1, 2023)
Cecilia Mullins (retired January 31, 2023)
County Librarian Cave City branch: Jill Carr
County Librarian Evening Shade branch: Angela Haley
County Librarian Williford branch: Bernadine Hull
District Court Clerk: Amanda Brewer

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, except for the following:

Other Issue

The County discovered, and we verified, that a County employee deposited five 2023 payroll checks, totaling \$2,605, in 2023 and again in 2024. The bank returned the duplicated deposit amounts to the County's bank account, and the individual was terminated from employment on June 27, 2024.

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 black ink, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
October 10, 2024
LOCO06723

SHARP COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2023
(UNAUDITED)

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 2,761,249	\$ 3,177,422	\$ 6,340,711
Accounts receivable	211,116	43,070	108,813
	<u>2,972,365</u>	<u>3,220,492</u>	<u>6,449,524</u>
TOTAL ASSETS	<u>\$ 2,972,365</u>	<u>\$ 3,220,492</u>	<u>\$ 6,449,524</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 78,950	\$ 49,524	\$ 82,729
Settlements pending			1,281,453
Total Liabilities	<u>78,950</u>	<u>49,524</u>	<u>1,364,182</u>
Fund Balances:			
Restricted			4,683,701
Assigned	4,758	3,170,968	401,641
Unassigned	2,888,657		
Total Fund Balances	<u>2,893,415</u>	<u>3,170,968</u>	<u>5,085,342</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,972,365</u>	<u>\$ 3,220,492</u>	<u>\$ 6,449,524</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 677,859	\$ 1,800,883	\$ 382,242
Federal aid	61,521	5,435	381,057
Property taxes	678,497	272,151	206,026
Sales taxes	909,950	606,633	2,405,667
Fines, forfeitures, and costs	352,902		70,320
Interest	70,257	96,050	106,815
Officers' fees	192,547		137,848
Insurance premiums collected	8,389	31	
Jail fees	348,160		59,788
911 fees			381,305
Jail phone commissions			47,482
Grants			290,826
Contributions from cities			53,000
Treasurer's commission	138,505		19,026
Collector's commission	236,614		39,602
Taxes apportioned - Assessor's salary and expense	229,631		
Other	256,905	148,252	61,730
TOTAL REVENUES	4,161,737	2,929,435	4,642,734
Less: Treasurer's commission	47,688	44,760	35,949
NET REVENUES	4,114,049	2,884,675	4,606,785
EXPENDITURES			
Current:			
General government	1,526,701		545,654
Law enforcement	1,834,482		1,116,842
Highways and streets		2,756,346	
Public safety	71,082		400,757
Health	15,214		
Recreation and culture	7,993		189,984
Social services	73,771		117,752
Economic development			10,180
Total Current	3,529,243	2,756,346	2,381,169
Debt Service:			
Bond principal			1,520,000
Bond interest and other charges			192,475
TOTAL EXPENDITURES	3,529,243	2,756,346	4,093,644

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 584,806</u>	<u>\$ 128,329</u>	<u>\$ 513,141</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			47,000
Transfers out	<u>(47,000)</u>		
TOTAL OTHER FINANCING SOURCES (USES)	<u>(47,000)</u>		<u>47,000</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	537,806	128,329	560,141
FUND BALANCES - JANUARY 1	<u>2,355,609</u>	<u>3,042,639</u>	<u>4,525,201</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,893,415</u></u>	<u><u>\$ 3,170,968</u></u>	<u><u>\$ 5,085,342</u></u>

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 543,375	\$ 677,859	\$ 134,484	\$ 1,622,717	\$ 1,800,883	\$ 178,166
Federal aid	50,000	61,521	11,521		5,435	5,435
Property taxes	794,120	678,497	(115,623)	323,983	272,151	(51,832)
Sales taxes	909,950	909,950	0	606,633	606,633	0
Fines, forfeitures, and costs	347,486	352,902	5,416			
Interest	60,207	70,257	10,050	94,391	96,050	1,659
Officers' fees	190,941	192,547	1,606			
Insurance premiums collected		8,389	8,389		31	31
Jail fees	285,480	348,160	62,680			
Treasurer's commission	132,595	138,505	5,910			
Collector's commission	225,476	236,614	11,138			
Taxes apportioned - Assessor's salary and expense	237,108	229,631	(7,477)			
Other	353,806	256,905	(96,901)	298,790	148,252	(150,538)
TOTAL REVENUES	4,130,544	4,161,737	31,193	2,946,514	2,929,435	(17,079)
Less: Treasurer's commission		47,688	(47,688)		44,760	(44,760)
NET REVENUES	4,130,544	4,114,049	(16,495)	2,946,514	2,884,675	(61,839)
EXPENDITURES						
Current:						
General government	1,670,835	1,526,701	144,134			
Law enforcement	1,942,892	1,834,482	108,410			
Highways and streets				3,079,008	2,756,346	322,662
Public safety	71,082	71,082	0			
Health	22,088	15,214	6,874			
Recreation and culture	8,000	7,993	7			
Social services	78,498	73,771	4,727			
TOTAL EXPENDITURES	3,793,395	3,529,243	264,152	3,079,008	2,756,346	322,662

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 337,149	\$ 584,806	\$ 247,657	\$ (132,494)	\$ 128,329	\$ 260,823
OTHER FINANCING SOURCES (USES)						
Transfers in	500,000		(500,000)	60,000		(60,000)
Transfers out	(47,000)	(47,000)	0			
TOTAL OTHER FINANCING SOURCES (USES)	453,000	(47,000)	(500,000)	60,000		(60,000)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	790,149	537,806	(252,343)	(72,494)	128,329	200,823
FUND BALANCES - JANUARY 1	2,262,715	2,355,609	92,894	3,119,047	3,042,639	(76,408)
FUND BALANCES - DECEMBER 31	<u>\$ 3,052,864</u>	<u>\$ 2,893,415</u>	<u>\$ (159,449)</u>	<u>\$ 3,046,553</u>	<u>\$ 3,170,968</u>	<u>\$ 124,415</u>

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

SHARP COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	County Library	County Clerk's Operating
ASSETS								
Cash and cash equivalents	\$ 22,914	\$ 214,758	\$ 9,481	\$ 1,628	\$ 12,246	\$ 333,312	\$ 311,535	\$ 5,142
Accounts receivable			235	776		8,341	2,937	20
TOTAL ASSETS	<u>\$ 22,914</u>	<u>\$ 214,758</u>	<u>\$ 9,716</u>	<u>\$ 2,404</u>	<u>\$ 12,246</u>	<u>\$ 341,653</u>	<u>\$ 314,472</u>	<u>\$ 5,162</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 28		\$ 1,801	\$ 7,880	
Settlements pending								
Total Liabilities				<u>28</u>		<u>1,801</u>	<u>7,880</u>	
Fund Balances:								
Restricted	\$ 22,914	\$ 214,758	\$ 9,716	2,376	\$ 12,246	339,852	306,592	\$ 5,162
Assigned								
Total Fund Balances	<u>22,914</u>	<u>214,758</u>	<u>9,716</u>	<u>2,376</u>	<u>12,246</u>	<u>339,852</u>	<u>306,592</u>	<u>5,162</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 22,914</u>	<u>\$ 214,758</u>	<u>\$ 9,716</u>	<u>\$ 2,404</u>	<u>\$ 12,246</u>	<u>\$ 341,653</u>	<u>\$ 314,472</u>	<u>\$ 5,162</u>

SHARP COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS							
	Property Reappraisal Cost	Child Support Collection Cost	Drug Control/Law Enforcement Forfeitures	Jail Operating and Maintenance Fees Act 209 of 2009	County Detention Facility	Boating Safety	Emergency 911/Central Dispatch	Public Defender
ASSETS								
Cash and cash equivalents	\$ 27,776	\$ 18,615	\$ 9,301	\$ 168,822	\$ 7,010	\$ 9,100	\$ 415,258	\$ 7,125
Accounts receivable				10,379	410		78,858	353
TOTAL ASSETS	<u>\$ 27,776</u>	<u>\$ 18,615</u>	<u>\$ 9,301</u>	<u>\$ 179,201</u>	<u>\$ 7,420</u>	<u>\$ 9,100</u>	<u>\$ 494,116</u>	<u>\$ 7,478</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 3,079			\$ 42,470	
Settlements pending								
Total Liabilities				<u>3,079</u>			<u>42,470</u>	
Fund Balances:								
Restricted	\$ 27,776	\$ 18,615	\$ 9,301	176,122	\$ 7,420	\$ 9,100	50,005	\$ 7,478
Assigned							401,641	
Total Fund Balances	<u>27,776</u>	<u>18,615</u>	<u>9,301</u>	<u>176,122</u>	<u>7,420</u>	<u>9,100</u>	<u>451,646</u>	<u>7,478</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 27,776</u>	<u>\$ 18,615</u>	<u>\$ 9,301</u>	<u>\$ 179,201</u>	<u>\$ 7,420</u>	<u>\$ 9,100</u>	<u>\$ 494,116</u>	<u>\$ 7,478</u>

SHARP COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	District Court Adult Drug Test	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Sheriff's Restitution Assessments	Emergency Management	Local Law Enforcement	Sheriff's K-9
ASSETS								
Cash and cash equivalents	\$ 5,511	\$ 23,869	\$ 5,796	\$ 3,883	\$ 37,324	\$ 3,822	\$ 9,544	\$ 3,143
Accounts receivable	60	175			412			
TOTAL ASSETS	<u>\$ 5,571</u>	<u>\$ 24,044</u>	<u>\$ 5,796</u>	<u>\$ 3,883</u>	<u>\$ 37,736</u>	<u>\$ 3,822</u>	<u>\$ 9,544</u>	<u>\$ 3,143</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 5,571	\$ 24,044	\$ 5,796	\$ 3,883	\$ 37,736	\$ 3,822	\$ 9,544	\$ 3,143
Assigned								
Total Fund Balances	<u>5,571</u>	<u>24,044</u>	<u>5,796</u>	<u>3,883</u>	<u>37,736</u>	<u>3,822</u>	<u>9,544</u>	<u>3,143</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,571</u>	<u>\$ 24,044</u>	<u>\$ 5,796</u>	<u>\$ 3,883</u>	<u>\$ 37,736</u>	<u>\$ 3,822</u>	<u>\$ 9,544</u>	<u>\$ 3,143</u>

SHARP COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Law Enforcement Memorial	Economic Development	Sheriff's Reserve Officer	Jail/Law Enforcement Facilities Quarter Cent Tax	Communications Facilities and Equipment	American Rescue Plan Act	Juvenile Officer Grant	Automated Records Grant
ASSETS								
Cash and cash equivalents	\$ 34	\$ 2,553	\$ 860	\$ 1,748,581	\$ 45,847	\$ 96,664	\$ 12,204	\$ 92,233
Accounts receivable				3,092				
TOTAL ASSETS	<u>\$ 34</u>	<u>\$ 2,553</u>	<u>\$ 860</u>	<u>\$ 1,751,673</u>	<u>\$ 45,847</u>	<u>\$ 96,664</u>	<u>\$ 12,204</u>	<u>\$ 92,233</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 20,790			\$ 186	
Settlements pending								
Total Liabilities				<u>20,790</u>			<u>186</u>	
Fund Balances:								
Restricted	\$ 34	\$ 2,553	\$ 860	1,730,883	\$ 45,847	\$ 96,664	12,018	\$ 92,233
Assigned								
Total Fund Balances	<u>34</u>	<u>2,553</u>	<u>860</u>	<u>1,730,883</u>	<u>45,847</u>	<u>96,664</u>	<u>12,018</u>	<u>92,233</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 34</u>	<u>\$ 2,553</u>	<u>\$ 860</u>	<u>\$ 1,751,673</u>	<u>\$ 45,847</u>	<u>\$ 96,664</u>	<u>\$ 12,204</u>	<u>\$ 92,233</u>

SHARP COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS					
	Arkansas Opioid Recovery Partnership Grant	Office of Juvenile Justice and Delinquency Prevention (OJJDP) Family Treatment Court Program Grant	United States Department of Agriculture Grants	Emerson - Delta Regional Authority	Arkansas Economic Development Cooperative - Emerson	Economic Development Administration 2020 Grant - Emerson	Arkansas Economic Development Cooperative - Senior Citizens Grant	Arkansas Economic Development Cooperative - Childcare Grant
ASSETS								
Cash and cash equivalents	\$ 119,465	\$ 13,209	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Accounts receivable								
TOTAL ASSETS	<u>\$ 119,465</u>	<u>\$ 13,209</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 1,295	\$ 5,200						
Settlements pending								
Total Liabilities	<u>1,295</u>	<u>5,200</u>						
Fund Balances:								
Restricted	118,170	8,009	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Assigned								
Total Fund Balances	<u>118,170</u>	<u>8,009</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 119,465</u>	<u>\$ 13,209</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

SHARP COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

	DEBT SERVICE FUND	CUSTODIAL FUNDS					Totals
	Sales and Use Tax Bond Fund, Series 2019	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County/Circuit Clerk's Accounts	District Court Accounts	
ASSETS							
Cash and cash equivalents	\$ 1,260,687	\$ 211,902	\$ 146,983	\$ 480,107	\$ 343,887	\$ 98,574	\$ 6,340,711
Accounts receivable	2,765						108,813
TOTAL ASSETS	<u>\$ 1,263,452</u>	<u>\$ 211,902</u>	<u>\$ 146,983</u>	<u>\$ 480,107</u>	<u>\$ 343,887</u>	<u>\$ 98,574</u>	<u>\$ 6,449,524</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 82,729
Settlements pending		\$ 211,902	\$ 146,983	\$ 480,107	\$ 343,887	\$ 98,574	1,281,453
Total Liabilities		<u>211,902</u>	<u>146,983</u>	<u>480,107</u>	<u>343,887</u>	<u>98,574</u>	<u>1,364,182</u>
Fund Balances:							
Restricted	\$ 1,263,452						4,683,701
Assigned							401,641
Total Fund Balances	<u>1,263,452</u>						<u>5,085,342</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,263,452</u>	<u>\$ 211,902</u>	<u>\$ 146,983</u>	<u>\$ 480,107</u>	<u>\$ 343,887</u>	<u>\$ 98,574</u>	<u>\$ 6,449,524</u>

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

Schedule 2

SPECIAL REVENUE FUNDS									
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	County Library	County Clerk's Operating	Property Reappraisal Cost
REVENUES									
State aid					\$ 6,976		\$ 41,500		\$ 315,588
Federal aid									
Property taxes							205,202		
Sales taxes									
Fines, forfeitures, and costs			\$ 4,570	\$ 10,437					
Interest	\$ 103	\$ 3,658	172	63	282	\$ 6,159	5,444	\$ 100	255
Officers' fees						116,579		260	
Jail fees									
911 fees									
Jail phone commissions									
Grants									
Contributions from cities									
Treasurer's commission	19,026								
Collector's commission		39,602							
Other	1	223	19	56	40	5,373	6,542	2	1
TOTAL REVENUES	19,130	43,483	4,761	10,556	7,298	128,111	258,688	362	315,844
Less: Treasurer's commission		862	95	208	145	2,523	4,970	7	5
NET REVENUES	19,130	42,621	4,666	10,348	7,153	125,588	253,718	355	315,839
EXPENDITURES									
Current:									
General government	13,947	22,030			8,272	63,376			315,600
Law enforcement			2,298	15,021					
Public safety									
Recreation and culture							189,984		
Social services									
Economic development									
Total Current	13,947	22,030	2,298	15,021	8,272	63,376	189,984		315,600
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	13,947	22,030	2,298	15,021	8,272	63,376	189,984		315,600
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,183	20,591	2,368	(4,673)	(1,119)	62,212	63,734	355	239
OTHER FINANCING SOURCES (USES)									
Transfers in									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	5,183	20,591	2,368	(4,673)	(1,119)	62,212	63,734	355	239
FUND BALANCES - JANUARY 1	17,731	194,167	7,348	7,049	13,365	277,640	242,858	4,807	27,537
FUND BALANCES - DECEMBER 31	<u>\$ 22,914</u>	<u>\$ 214,758</u>	<u>\$ 9,716</u>	<u>\$ 2,376</u>	<u>\$ 12,246</u>	<u>\$ 339,852</u>	<u>\$ 306,592</u>	<u>\$ 5,162</u>	<u>\$ 27,776</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Child Support Collection Cost	Drug Control/Law Enforcement Forfeitures	Jail Operating and Maintenance Fees Act 209 of 2009	County Detention Facility	Boating Safety	Emergency 911/Central Dispatch	Public Defender	District Court Adult Drug Test	Circuit Court Juvenile Division
REVENUES									
State aid					\$ 1,274		\$ 1,904		
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs		\$ 2,238	\$ 51,199				1,191	\$ 685	
Interest	\$ 369	169	2,922	\$ 112	170	\$ 7,398	146	113	\$ 448
Officers' fees	1,296								3,729
Jail fees			52,483	4,215					
911 fees						381,305			
Jail phone commissions									
Grants									
Contributions from cities						53,000			
Treasurer's commission									
Collector's commission									
Other	9	14	31,192	22	7	2,272	9	4	23
TOTAL REVENUES	1,674	2,421	137,796	4,349	1,451	443,975	3,250	802	4,200
Less: Treasurer's commission	33	48	2,658	81	29	5,899	34	15	91
NET REVENUES	1,641	2,373	135,138	4,268	1,422	438,076	3,216	787	4,109
EXPENDITURES									
Current:									
General government	1,412								
Law enforcement			81,566	2,191			3,500	793	742
Public safety						400,757			
Recreation and culture									
Social services									
Economic development									
Total Current	1,412		81,566	2,191		400,757	3,500	793	742
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	1,412		81,566	2,191		400,757	3,500	793	742
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	229	2,373	53,572	2,077	1,422	37,319	(284)	(6)	3,367
OTHER FINANCING SOURCES (USES)									
Transfers in						47,000			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	229	2,373	53,572	2,077	1,422	84,319	(284)	(6)	3,367
FUND BALANCES - JANUARY 1	18,386	6,928	122,550	5,343	7,678	367,327	7,762	5,577	20,677
FUND BALANCES - DECEMBER 31	\$ 18,615	\$ 9,301	\$ 176,122	\$ 7,420	\$ 9,100	\$ 451,646	\$ 7,478	\$ 5,571	\$ 24,044

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

Schedule 2

SPECIAL REVENUE FUNDS								
	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Sheriff's Restitution Assessments	Emergency Management	Local Law Enforcement	Sheriff's K-9	Law Enforcement Memorial	Economic Development
REVENUES								
State aid								
Federal aid								
Property taxes		\$ 824						
Sales taxes								
Fines, forfeitures, and costs								
Interest	\$ 115	69	\$ 701	\$ 76	\$ 191	\$ 62	\$ 1	\$ 51
Officers' fees	1,683		6,596					
Jail fees								
911 fees								
Jail phone commissions								
Grants								
Contributions from cities								
Treasurer's commission								
Collector's commission								
Other	16	5	30		2,000	2,600		
TOTAL REVENUES	1,814	898	7,327	76	2,191	2,662	1	51
Less: Treasurer's commission	36	18	144		3	1		
NET REVENUES	1,778	880	7,183	76	2,188	2,661	1	51
EXPENDITURES								
Current:								
General government	1,777							
Law enforcement			1,385		1,861	2,250	88	
Public safety								
Recreation and culture								
Social services								
Economic development								180
Total Current	1,777		1,385		1,861	2,250	88	180
Debt Service:								
Bond principal								
Bond interest and other charges								
TOTAL EXPENDITURES	1,777		1,385		1,861	2,250	88	180
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1	880	5,798	76	327	411	(87)	(129)
OTHER FINANCING SOURCES (USES)								
Transfers in								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1	880	5,798	76	327	411	(87)	(129)
FUND BALANCES - JANUARY 1	5,795	3,003	31,938	3,746	9,217	2,732	121	2,682
FUND BALANCES - DECEMBER 31	<u>\$ 5,796</u>	<u>\$ 3,883</u>	<u>\$ 37,736</u>	<u>\$ 3,822</u>	<u>\$ 9,544</u>	<u>\$ 3,143</u>	<u>\$ 34</u>	<u>\$ 2,553</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS							Office of Juvenile Justice and Delinquency Prevention (OJJDP) Family Treatment Court Program Grant
	Sheriff's Reserve Officer	Jail/Law Enforcement Facilities Quarter Cent Tax	Communications Facilities and Equipment	American Rescue Plan Act	Juvenile Officer Grant	Automated Records Grant	Arkansas Opioid Recovery Partnership Grant	
REVENUES								
State aid					\$ 15,000			
Federal aid								\$ 263,305
Property taxes								
Sales taxes		\$ 801,889						
Fines, forfeitures, and costs								
Interest	\$ 17	39,842	\$ 626	\$ 2,667		\$ 323	\$ 217	
Officers' fees			7,705					
Jail fees		3,090						
911 fees								
Jail phone commissions			47,482					
Grants						91,916	198,910	
Contributions from cities								
Treasurer's commission								
Collector's commission								
Other		4,563	6,707					
TOTAL REVENUES	17	849,384	62,520	2,667	15,000	92,239	199,127	263,305
Less: Treasurer's commission		18,038				6		
NET REVENUES	17	831,346	62,520	2,667	15,000	92,233	199,127	263,305
EXPENDITURES								
Current:								
General government				119,240				
Law enforcement		635,225	23,373		10,296		80,957	255,296
Public safety								
Recreation and culture								
Social services								
Economic development								
Total Current		635,225	23,373	119,240	10,296		80,957	255,296
Debt Service:								
Bond principal								
Bond interest and other charges								
TOTAL EXPENDITURES		635,225	23,373	119,240	10,296		80,957	255,296
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	17	196,121	39,147	(116,573)	4,704	92,233	118,170	8,009
OTHER FINANCING SOURCES (USES)								
Transfers in								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	17	196,121	39,147	(116,573)	4,704	92,233	118,170	8,009
FUND BALANCES - JANUARY 1	843	1,534,762	6,700	213,237	7,314			
FUND BALANCES - DECEMBER 31	\$ 860	\$ 1,730,883	\$ 45,847	\$ 96,664	\$ 12,018	\$ 92,233	\$ 118,170	\$ 8,009

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

Schedule 2

	CAPITAL PROJECTS FUNDS						DEBT SERVICE FUND	Totals
	United States Department of Agriculture Grants	Emerson - Delta Regional Authority	Arkansas Economic Development Cooperative - Emerson	Economic Development Administration 2020 Grant - Emerson	Arkansas Economic Development Cooperative - Senior Citizens Grant	Arkansas Economic Development Cooperative - Childcare Grant	Sales and Use Tax Bond Fund, Series 2019	
REVENUES								
State aid								\$ 382,242
Federal aid					\$ 117,752			381,057
Property taxes								206,026
Sales taxes							\$ 1,603,778	2,405,667
Fines, forfeitures, and costs								70,320
Interest							33,774	106,815
Officers' fees								137,848
Jail fees								59,788
911 fees								381,305
Jail phone commissions								47,482
Grants								290,826
Contributions from cities								53,000
Treasurer's commission								19,026
Collector's commission								39,602
Other								61,730
TOTAL REVENUES					117,752		1,637,552	4,642,734
Less: Treasurer's commission								35,949
NET REVENUES					117,752		1,637,552	4,606,785
EXPENDITURES								
Current:								
General government								545,654
Law enforcement								1,116,842
Public safety								400,757
Recreation and culture								189,984
Social services					117,752			117,752
Economic development				\$ 10,000				10,180
Total Current				10,000	117,752			2,381,169
Debt Service:								
Bond principal							1,520,000	1,520,000
Bond interest and other charges							192,475	192,475
TOTAL EXPENDITURES				10,000	117,752		1,712,475	4,093,644
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				(10,000)			(74,923)	513,141
OTHER FINANCING SOURCES (USES)								
Transfers in								47,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES				(10,000)			(74,923)	560,141
FUND BALANCES - JANUARY 1	\$ 1	\$ 1	\$ 1	10,001	1	\$ 1	1,338,375	4,525,201
FUND BALANCES - DECEMBER 31	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1,263,452	\$ 5,085,342

SHARP COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
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.
County Clerk's Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for county clerk's cost.
Property Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Child Support Collection Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control/Law Enforcement Forfeitures	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Operating and Maintenance Fees Act 209 of 2009	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.

SHARP COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023
(UNAUDITED)

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/Central Dispatch	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
Public Defender	Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
District Court Adult Drug Test	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.
Circuit Court Juvenile Division	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.
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.
Sheriff's Restitution Assessments	Ark. Code Ann. § 5-4-205 established fund to receive a \$5 fee for restitution payments to defray the cost of restitution collection.
Emergency Management	Established to account for donations received to provide emergency assistance during natural disasters.
Local Law Enforcement	Established to account for a grants and other revenue received for local law enforcement programs.

SHARP COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Sheriff's K-9	Established to account for donation and fines assessed by the District Judge to support the Sheriff's K-9 unit.
Law Enforcement Memorial	Established to account for donations received to maintain the law enforcement memorial.
Economic Development	Established to account for donations and grants received for economic development.
Sheriff's Reserve Officer	Established to account for donations received to support reserve officers.
Jail/Law Enforcement Facilities Quarter Cent Tax	Sharp County Ordinance no. 2018-5 (August 13, 2018) provided for the levying of a sales and use tax of one-quarter of one percent (0.25%) to acquire, construct, improve, expand, equip, furnish, operate and maintain new or existing jail and law enforcement facilities, including any necessary utility, road, and parking improvements related thereto or in support thereof, and to pay and secure the repayment of Jail and Law Enforcement Bonds. The authorizing ordinance 2019-1 (January 15, 2019) provides for the creation of the facilities fund for the recording of jail and law enforcement related expenses allowable from this tax.
Communications Facilities 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.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Juvenile Officer Grant	Established to account for a grant received from the Administrative Office of the Courts to hire a part-time staff member to help provide family involvement and support, parenting classes, and improve involvement with community-based youth services.
Automated Records Grant	Established to account for a grant received from the Association of Arkansas Counties to automate electronic filing and other systems in the County Clerk's office.

SHARP COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2023
 (UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Arkansas Opioid Recovery Partnership Grant	Established to account for a grant received from the Arkansas Opioid Recovery Partnership to abate the opioid crisis.
Office of Juvenile Justice and Delinquency Prevention (OJJDP) Family Treatment Court Program Grant	Established to account for a grant received from the Office of Juvenile Justice and Delinquency Prevention to operate a Family Treatment Court program.
United States Department of Agriculture Grants	Established to account for grants received from United States Department of Agriculture for the purpose of purchasing Sheriff's vehicles.
Emerson - Delta Regional Authority	Established to account for grants received from the Delta Regional Authority for the Emerson plant that flow through the county.
Arkansas Economic Development Cooperative - Emerson	Established to account for grants received from the Arkansas Economic Development Cooperative for the Emerson plant.
Economic Development Administration 2020 Grant - Emerson	Established to account for grants received from the Economic Development Administration for the Emerson plant.
Arkansas Economic Development Cooperative - Senior Citizens Grant	Established to account for grants received from the Arkansas Economic Development Cooperative for the new Senior Citizen building.
Arkansas Economic Development Cooperative - Childcare Grant	Established to account for grants received from the Arkansas Economic Development Cooperative for a new Daycare facility.
Sales and Use Tax Bond Fund, Series 2019	Sharp County Ordinance no. 2018-7 (August 13, 2018) provided for the issuing of bonds under amendment no. 62 to the Constitution of the State of Arkansas for the purpose of financing all or a portion of the cost of a new jail and law enforcement facilities and the levying of a new one-half of one percent (0.50%) sales and use tax for the purpose of retiring such bonds. The authorizing ordinance 2019-1 (January 15, 2019) provides for the creation of the bond fund for the recording of debt payments and the debt service reserve required to be maintained.

SHARP COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
	Treasurer's accounts consist primarily of Law Library funds, treasurer's commission, collector's commission, 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, evidence, and inmate trust money.
	County/Circuit Clerk's accounts consist primarily of fee money to be settled with the treasurer and trust money awaiting disposition by the applicable court.
	District Court accounts consist primarily of fines and costs not yet distributed to the county and/or state.

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

1. A. **Basis of Presentation - Regulatory**

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

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

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

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

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

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

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

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

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

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The Debt Service Fund presented on Schedules 1 and 2 is reported with other funds in the aggregate:

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

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

1. (Continued)

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.

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, officer's fees, and trusts and commissions 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.

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

1. (Continued)

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.

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

2. Details of Fund Balance Classifications

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

<u>Description</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>Other Funds in the Aggregate</u>
Fund Balances:			
Restricted for:			
General government			\$ 839,899
Law enforcement			2,217,372
Public safety			53,827
Recreation and culture			306,592
Economic development			2,553
Capital outlay			6
Debt service			1,263,452
Total Restricted			<u>4,683,701</u>
Assigned to:			
General government	\$ 690		
Law enforcement	4,068		
Highways and streets		\$ 3,170,968	
Public safety			401,641
Total Assigned	<u>4,758</u>	<u>3,170,968</u>	<u>401,641</u>
Unassigned	<u>2,888,657</u>		
Totals	<u>\$ 2,893,415</u>	<u>\$ 3,170,968</u>	<u>\$ 5,085,342</u>

3. Commitments

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

	<u>December 31, 2023</u>
Long-term liabilities	\$ 3,748,866
Reappraisal contract	<u>1,309,680</u>
Total Commitments	<u>\$ 5,058,546</u>

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

3. **Commitments (Continued)**

Long-term Liabilities

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

	December 31, 2023
<u>Bonds</u>	
Sales and Use Tax Bond Series 2019 dated February 26, 2019, in the amount of \$10,340,000, due in annual installments of varying amounts plus interest of 3% - 5% through March 1, 2030. Payments are to be made from the Sales and Use Tax Bond Series 2019 Debt Service Fund. Surplus tax receipts will be used to redeem bonds as funds are available.	\$ 3,720,000
Compensated absences consisting of accrued vacation leave adjusted to current salary cost	28,866
Total Long-term liabilities	\$ 3,748,866

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

The County's outstanding bonds payable of \$3,720,000 contain a provision that in an event of default, the Trustee may, and upon written request of (1) the Issuer or (2) with the consent of the Issuer, the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2023	Maturities to December 31, 2023
<u>Bonds</u>					
2/26/19	3/1/30	3-5%	\$ 10,340,000	\$ 3,720,000	\$ 6,620,000

Changes in Long-Term Debt

	Balance January 01, 2023	Issued	Retired	Balance December 31, 2023
Bonds payable	\$ 5,240,000	\$ 0	\$ 1,520,000	\$ 3,720,000

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

3. Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds		
	Principal	Interest	Total
2024	\$ 1,485,000	\$ 131,600	\$ 1,616,600
2025	650,000	79,300	729,300
2026	685,000	45,925	730,925
2027	720,000	18,000	738,000
2028	100,000	5,200	105,200
2029 through 2030	80,000	4,800	84,800
Totals	<u>\$ 3,720,000</u>	<u>\$ 284,825</u>	<u>\$ 4,004,825</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on December 20, 2023, for a county-wide reappraisal. The County is obligated for forty-eight monthly payments of \$27,285 for a total of \$1,309,680 beginning January 15, 2024. Contract expense for 2023, was \$315,600.

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

Year	December 31, 2023
2024	\$ 327,420
2025	327,420
2026	327,420
2027	327,420
Total	<u>\$ 1,309,680</u>

4. Interfund Transfers

The General Fund transferred \$47,000 to Other Funds in the Aggregate (Emergency 911/Central Dispatch) to supplement operations.

5. Pledged Revenues

The County pledged future 0.75% sales and use taxes to repay \$10,340,000 in bonds that were issued in 2019 to provide funding for acquiring, constructing, improving, expanding, equipping, furnishing, operating, and maintaining new or existing jail and law enforcement facilities. Total principal and interest remaining on the bonds are \$3,720,000 and \$284,825, respectively, payable through March 1, 2030. For 2023, principal and interest paid were \$1,520,000 and \$189,525, respectively.

The Debt Service Fund received \$1,603,778 and the Jail/Law Enforcement Facilities Quarter Cent Tax Fund received \$801,889 in sales taxes in 2023. The 0.5% sales tax collected in excess of debt service payments on these bonds is permitted to be used for the early retirement of bonds until they are paid. The 0.25% sales tax collected may be used to acquire, construct, improve, expand, equip, furnish, operate, and maintain new or existing jail and law enforcement facilities, including any necessary utility, road, and parking improvements related thereto or in support thereof and to pay and secure the repayment of Jail and Law Enforcement Bonds.

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

6. Jointly Governed Organizations

White River Regional Library

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

White River Regional Solid Waste Management District

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

Sharp County Regional Airport Authority

Sharp County and the Cities of Ash Flat and Hardy, entered into an agreement dated February 13, 1998, in accordance with Ark. Code Ann. § 25-20-101 to establish and manage the Sharp County Regional Airport Authority. Subsequently, the Cities of Cherokee Village and Highland joined the agreement on June 22, 1999, and July 11, 2000, respectively. The Sharp County Regional Airport Authority is governed by a ten member board consisting of two commissioners appointed by the Mayor of each of the cities and two commissioners appointed by the Sharp County Judge. Commissioners are to be appointed upon staggered terms and at least one commissioner shall be experienced in aviation, holding some type of aeronautical license and rating. Any funds received by Sharp County relating to the Sharp County Regional Airport Authority are reflected in the financial statements of Sharp County. In 2023, the county contributed \$5,000 to the Sharp County Regional Airport Authority. Contact the Sharp County Regional Airport Authority at U.S. 412, Cherokee Village, AR 72529 to inquire on the availability of financial statements.

7. Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.5% as of July 1, 2023. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2023, (date of APERS Employer Allocation Report) were \$475,798.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2023, (actuarial valuation date and measurement date) was \$4,083,479.

SHARP COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

8. Capital Assets

The County's capital assets records are summarized below:

	December 31, 2023
Land	\$ 180,143
Buildings & improvements	10,499,799
Equipment	<u>6,791,228</u>
Total	<u>\$ 17,471,170</u>

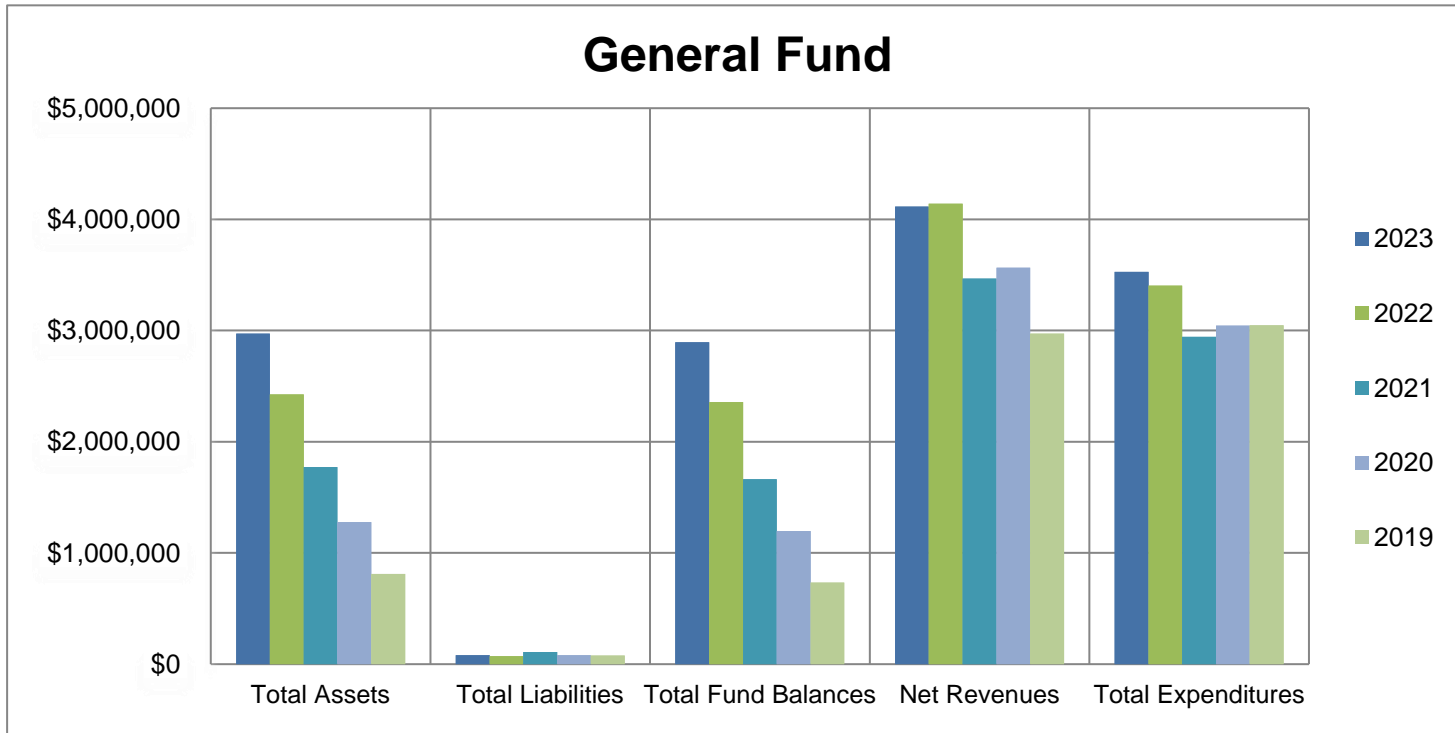
9. Corona Virus (COVID-19)

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

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

Schedule 3-1

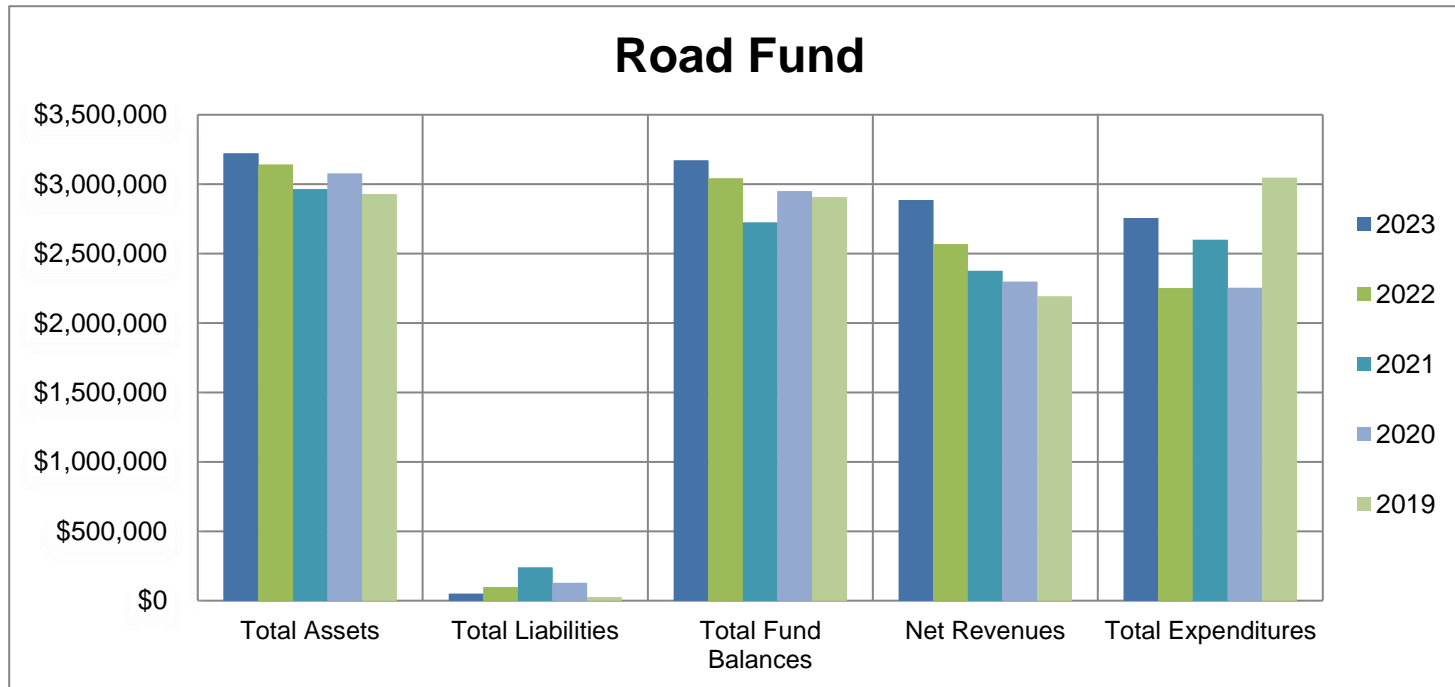
General	2023	2022	2021	2020	2019
Total Assets	\$ 2,972,365	\$ 2,426,644	\$ 1,772,272	\$ 1,278,321	\$ 812,411
Total Liabilities	78,950	71,035	109,586	81,208	78,002
Total Fund Balances	2,893,415	2,355,609	1,662,686	1,197,113	734,409
Net Revenues	4,114,049	4,139,944	3,467,330	3,564,661	2,971,479
Total Expenditures	3,529,243	3,402,934	2,943,007	3,043,207	3,046,170
Total Other Financing Sources/Uses	(47,000)	(44,087)	(58,750)	(58,750)	(52,875)



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

Schedule 3-2

<u>Road</u>	2023	2022	2021	2020	2019
Total Assets	\$ 3,220,492	\$ 3,141,043	\$ 2,962,200	\$ 3,076,526	\$ 2,928,913
Total Liabilities	49,524	98,404	238,383	128,277	24,197
Total Fund Balances	3,170,968	3,042,639	2,723,817	2,948,249	2,904,716
Net Revenues	2,884,675	2,568,767	2,375,171	2,297,154	2,190,633
Total Expenditures	2,756,346	2,249,945	2,599,603	2,253,621	3,045,161
Total Other Financing Sources/Uses					595,552



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Assets	\$ 6,449,524	\$ 5,810,036	\$ 8,879,027	\$ 6,992,705	\$ 11,528,893
Total Liabilities	1,364,182	1,284,835	1,025,534	984,503	1,058,403
Total Fund Balances	5,085,342	4,525,201	7,853,493	6,008,202	10,470,490
Net Revenues	4,606,785	5,801,601	16,786,105	3,321,461	2,262,782
Total Expenditures	4,093,644	9,173,980	14,999,564	7,842,499	3,414,706
Total Other Financing Sources/Uses	47,000	44,087	58,750	58,750	10,678,864

