

ARKANSAS TREASURER OF STATE

Annual Financial Report

June 30, 2024



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Arkansas



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

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

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

Arkansas Treasurer of State
Legislative Joint Auditing Committee

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the major fund and the aggregate remaining fund information of the Arkansas Treasurer of State, an office of Arkansas state government, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Arkansas Treasurer of State's departmental financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Arkansas Treasurer of State as of June 30, 2024, the respective changes in financial position, and the budgetary comparison for the general fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As indicated above, the financial statements of the Arkansas Treasurer of State are intended to present the financial position, the changes in financial position, and budgetary comparisons of only that portion of the major fund and the aggregate remaining fund information of the State that is attributable to the transactions of the Arkansas Treasurer of State. They do not purport to, and do not, present fairly the financial position of the State of Arkansas as of June 30, 2024, the changes in its financial position, and budgetary comparisons for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

The Governmental Accounting Standards Board requires that a Management's Discussion and Analysis be presented to supplement government-wide financial statements. However, as discussed in the "Emphasis of Matter" paragraph above, the financial statements of the Arkansas Treasurer of State are only for the specific transactions and activity of the Agency and not for the State as a whole. Therefore, the Management's Discussion and Analysis is not required to be presented for the Arkansas Treasurer of State individually. Our opinions on the departmental financial statements are not affected by the omission of this information.

Other Information

Management is responsible for the other information included in the report. The other information comprises the schedules describing the Distribution of General Revenue, Distribution of Interest Receipts from the Securities Reserve Fund (TAS), Distribution to Counties, Distribution to Cities, the Schedule of Selected Information, and Other General Information but does not include the departmental financial statements and our auditor's reports thereon. Our opinions on the departmental financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2025, on our consideration of the office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of the testing, and not to provide an opinion on the effectiveness of the office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the office's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT

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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
May 21, 2025
SA0406924

Arkansas

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



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

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

INDEPENDENT AUDITOR'S REPORT

Arkansas Treasurer of State
Legislative Joint Auditing Committee

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the major fund and the aggregate remaining fund information of the Arkansas Treasurer of State (the "Agency"), an office of Arkansas state government, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Arkansas Treasurer of State's departmental financial statements, and have issued our report thereon dated May 21, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the Schedule of Findings and Responses below as item 2024-1, that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described below in the Schedule of Findings and Responses as item 2024-2.

SCHEDULE OF FINDINGS AND RESPONSES

2024-1 Ark. Code Ann. § 19-3-506(b)(2) states that “the Treasurer of State shall establish and maintain effective internal controls to prevent and detect fraud,” and Ark. Code Ann. § 25-16-604(2) assigns the Treasurer of State the duty of disbursing public moneys for warrants drawn upon the State Treasury. As such, the Treasurer of State should ensure that controls maximize the likelihood that fraudulent warrant activity will be detected, and the financial institution will be notified in the required timeframe for reimbursement.

Warrants are presented daily to the Treasurer of State for payment. While the Treasurer of State had some controls in place, they were not sufficient to prevent redemption of the following two fraudulent warrants:

- A warrant for \$609,609, issued on July 7, 2024, and redeemed on July 23, 2024.
- A warrant for \$3,653, issued on August 12, 2024, and redeemed on August 28, 2024.

The Treasurer’s Office filed a check fraud claim with the bank for the \$609,609 warrant, and on November 13, 2024, the bank deposited the funds back into the Treasurer of State’s account. On April 9, 2025, the bank notified the Treasurer’s Office that the \$3,653 check fraud claim would not be recouped.

We recommend the Treasurer of State implement additional controls to better enable the identification of fraudulent warrants in the required timeframe for the State to be reimbursed.

Management personnel responded: *The Treasurer’s office agrees with the finding and has worked in conjunction with the Department of Finance and Administration and the Auditor of State to establish the necessary files to allow for the use of Payee Positive Pay. This is an added fraud deterrent service that matches the warrant number, amount, and payee to verify these fields have not been altered on the warrant. The new file service was submitted to the bank on February 3, 2025, and was fully activated on February 27, 2025.*

2024-2 Twelve employees were paid in excess of the line-item salary appropriation, per Act 486 of 2023, by a total of \$32,929, in conflict with Ark. Const. art. 16, § 4, which states, “Except as provided in Arkansas Constitution, Article 19, § 31, the General Assembly shall fix the salaries and fees of all officers in the State; and no greater salary or fee than that fixed by law shall be paid to any officer, employee, or other person, or at any rate other than par value; and the number of salaries of the clerks and employees of the different departments of the State shall be fixed by law.” The cause of these excesses was related to merit bonus payments, paid at the end of the fiscal year. According to Op. Att’y Gen. no. 2023-004, these types of payments are not one of the six kinds of payments excluded from the employees’ line-item salary caps and, as such, have caused these employees’ salaries to exceed their line-item maximums.

We recommend the Treasurer’s Office ensure employees are not paid above appropriated line-item maximum salary amounts.

Management personnel responded: *The Treasurer’s office has implemented Special Language during the 2024 Fiscal session (Act 142) to authorize such payments in accordance with special language salary provisions as provided by the General Assembly.*

Agency’s Response to Findings

Government Auditing Standards require the auditors to perform limited procedures on the Agency’s responses to the findings identified in our audit and described in the Schedule of Findings and Responses above. The Agency’s responses were not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the responses.

Purpose of this Report

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink that reads "Tom Bullington". The signature is written in a cursive, flowing style.

Tom Bullington, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
May 21, 2025

ARKANSAS TREASURER OF STATE
BALANCE SHEET – GOVERNMENTAL FUND
JUNE 30, 2024

Exhibit A

	General Fund
ASSETS	
Cash and cash equivalents	\$ 267,973,161
Receivable, net:	
Tobacco settlement	24,796,901
Motor fuel tax	14,571,438
Federal receivable	4,284,120
Accrued interest	574,454
Due from other state agencies	2,403,727
Funds held in trust by Arkansas Development Finance Authority	5,379,016
Prepaid items	258,699
TOTAL ASSETS	\$ 320,241,516
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 172,318
Accrued payroll	58,403
Due to other governments	4,407,237
Due to other state agencies	3,557,938
Total Liabilities	8,195,896
Deferred inflows of resources:	
Related to revenues	25,462,844
Fund balance:	
Nonspendable for:	
Prepaid items	258,699
Restricted for:	
Debt service	26,935,314
Tobacco settlement	43,589,624
County aid	17,385
Committed for program requirements	185,837,884
Committed for securities reserve fund distributions	29,943,870
Total Fund Balance	286,582,776
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 320,241,516

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

ARKANSAS TREASURER OF STATE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

Exhibit B

	General Fund
REVENUES	
Consumer sales and use taxes	\$ 377,324,307
Motor user taxes and fees	331,693,340
Fines and penalties	466,768
Real estate transfer taxes	1,960,767
Severance taxes	5,117,384
Tobacco Master Settlement Agreement receipts	49,593,803
Investment income available for distribution	375,227,390
Federal grants and reimbursements	8,005,763
Casino revenue	29,500,681
Other taxes, fees, and earnings	610
TOTAL REVENUES	1,178,890,813
EXPENDITURES	
Salary and benefits	3,203,631
Communication and transportation of commodities	60,690
Printing and advertising	3,695
Repairing and servicing	17,694
Utilities and rent	204,728
Travel and subsistence	27,233
Professional services	1,048,734
Insurance and bonds	6,022
Other expenses and services	878,806
Commodities for household, office, and institutions	239,758
Assistance, grants, and aids	436,753,370
Refunds, taxes, and claims	282,688,647
Debt service:	
Principal	42,204,999
Interest	10,933,740
Pay agent fees	39,200
Capital outlay	53,736
TOTAL EXPENDITURES	778,364,683
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	400,526,130

ARKANSAS TREASURER OF STATE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

Exhibit B

	General Fund
OTHER FINANCING SOURCES (USES)	
Interagency transfers in:	
Funding from Arkansas Natural Resources Commission - debt service	\$ 7,034,471
Abandoned mineral leases	1,069,411
Interagency transfers out:	
Tobacco settlement distribution	(52,438,117)
General revenue distribution	89,799,122
General/Special revenue allocation	5,800,000
Boating safety	305,360
Excess real estate transfer taxes	11,658,221
Funding from Securities Reserve Fund (TAS)	5,227,849
Securities reserve fund distribution	(366,879,212)
Payments to state agencies from County and Municipal Aid funds	(9,111,642)
Transfer to fiscal agent for debt service - tobacco settlement bonds	(4,986,865)
Other, net	28,534
TOTAL OTHER FINANCING SOURCES (USES)	(312,492,868)
NET CHANGE IN FUND BALANCE	88,033,262
FUND BALANCE - JULY 1	198,549,514
FUND BALANCE - JUNE 30	\$ 286,582,776

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

ARKANSAS TREASURER OF STATE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

Exhibit C

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amount		Actual	
	Original	Final		
REVENUES				
Consumer sales and use taxes	\$ 304,000,000	\$ 304,000,000	\$ 377,324,307	\$ 73,324,307
Motor user taxes and fees	395,000,000	395,000,000	331,693,340	(63,306,660)
Fines and penalties	600,000	600,000	466,768	(133,232)
Real estate transfer taxes			1,960,767	1,960,767
Severance taxes			5,117,384	5,117,384
Tobacco Master Settlement Agreement receipts			49,593,803	49,593,803
Investment earnings			375,227,390	375,227,390
Federal grants and reimbursements	20,000,000	20,000,000	8,005,763	(11,994,237)
Casino revenue			29,500,681	29,500,681
Other taxes, fees, and earnings			610	610
TOTAL REVENUES	719,600,000	719,600,000	1,178,890,813	459,290,813
EXPENDITURES				
Regular salaries	2,616,528	2,616,528	2,400,971	215,557
Extra help	35,000	35,000	8,220	26,780
Operating expenses	1,404,455	1,404,455	1,383,945	20,510
Personal services matching	915,785	915,785	794,440	121,345
Conference fees and travel	35,000	35,000	25,249	9,751
Professional fees and services	35,000	35,000	33,634	1,366
Capital outlay	25,000	79,000	53,736	25,264
Data processing	1,096,715	1,042,715	1,004,979	37,736
Financial education program	75,000	75,000	53,773	21,227
City/County tourist facility assistance	887,908	887,908	887,908	
General revenue - counties	21,428,616	21,428,616	15,022,757	6,405,859
Special revenue - counties	205,000,000	230,000,000	195,937,450	34,062,550
Mineral sale or lease - minerals, oil, and gas	10,000,000	10,000,000	7,776,231	2,223,769
General revenue - cities	29,372,099	29,372,099	27,966,916	1,405,183
Special revenue - cities	190,000,000	215,000,329	189,564,826	25,435,503
Emergency medical and local law enforcement	600,000	600,000	467,300	132,700
Refunds and reimbursements	25,000,000	23,132,560		23,132,560
Debt service	60,000,000	61,867,440	53,177,939	8,689,501
Real property tax reduction - counties	300,000,000	300,000,000	277,800,356	22,199,644
Distribution to counties	2,000,000	2,000,000	2,000,000	
Distribution to cities	2,000,000	2,000,000	2,000,000	
Animal shelters	50,000	50,000	4,053	45,947
TOTAL EXPENDITURES	852,577,106	902,577,435	778,364,683	124,212,752
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(132,977,106)	(182,977,435)	400,526,130	583,503,565

ARKANSAS TREASURER OF STATE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

Exhibit C

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amount		Actual	
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Interagency transfers in:				
Funding from Arkansas Natural				
Resources Commission - debt service	\$ 68,000,000	\$ 68,000,000	\$ 7,034,471	\$ (60,965,529)
Abandoned mineral leases			1,069,411	1,069,411
Interagency transfers out:				
Tobacco settlement distribution			(52,438,117)	(52,438,117)
General revenue distribution	103,738,623	103,738,623	89,799,122	(13,939,501)
General/Special revenue allocation	6,239,581	6,239,581	5,800,000	(439,581)
Boating safety			305,360	305,360
Excess real estate transfer taxes			11,658,221	11,658,221
Funding from Securities Reserve Fund (TAS)			5,227,849	5,227,849
Securities reserve fund distribution			(366,879,212)	(366,879,212)
Payments to state agencies from County and Municipal Aid funds			(9,111,642)	(9,111,642)
Transfer to fiscal agent for debt service - tobacco settlement bonds			(4,986,865)	(4,986,865)
Other, net			28,534	28,534
TOTAL OTHER FINANCING SOURCES (USES)	<u>177,978,204</u>	<u>177,978,204</u>	<u>(312,492,868)</u>	<u>(490,471,072)</u>
NET CHANGE IN FUND BALANCE	45,001,098	(4,999,231)	88,033,262	93,032,493
FUND BALANCE - JULY 1	<u>198,549,514</u>	<u>198,549,514</u>	<u>198,549,514</u>	
FUND BALANCE - JUNE 30	<u>\$ 243,550,612</u>	<u>\$ 193,550,283</u>	<u>\$ 286,582,776</u>	<u>\$ 93,032,493</u>

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

ARKANSAS TREASURER OF STATE
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
JUNE 30, 2024

Exhibit D

	Investment Trust Fund		
	State Treasury	Custodial Funds	
	Money Management Trust Fund	Appropriated Treasury Funds	Total Fiduciary Funds
ASSETS			
Cash and cash equivalents	\$ 271,590,697	\$ 1,629,715,647	\$ 1,901,306,344
Investments:			
Money market accounts	89,964,559	838,715,959	928,680,518
Certificates of deposit		164,075,000	164,075,000
Commercial paper	87,791,507	31,990,243	119,781,750
Mortgage-backed securities		5,905,061,642	5,905,061,642
Israel bonds		49,792,793	49,792,793
Municipal bonds		39,801,109	39,801,109
U.S. government agency bonds	54,972,976	1,396,635,895	1,451,608,871
SBA loan backed securities		40,961,470	40,961,470
Corporate bonds		638,483,815	638,483,815
U.S. Treasuries	78,263,213	693,289,786	771,552,999
Receivable, net:			
Interest	1,787,690	45,465,210	47,252,900
Investment principal		20,184,697	20,184,697
	<u>\$ 584,370,642</u>	<u>\$ 11,494,173,266</u>	<u>\$ 12,078,543,908</u>
LIABILITIES			
Investment payable	<u>\$ 0</u>	<u>\$ 24,903,089</u>	<u>\$ 24,903,089</u>
NET POSITION			
Restricted for pool participants/state entities	<u>\$ 584,370,642</u>	<u>\$ 11,469,270,177</u>	<u>\$ 12,053,640,819</u>

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

ARKANSAS TREASURER OF STATE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS -
FOR THE YEAR ENDED JUNE 30, 2024

Exhibit E

	Investment Trust Funds	Custodial Funds
	State Treasury Money Management Trust Fund	Appropriated Treasury Funds
Additions:		
Deposits:		
Pool participant deposits	\$ 79,443,754	
Revenue receipt deposits		\$ 28,080,855,651
Total deposits	79,443,754	28,080,855,651
Investment income:		
Net increase (decrease) in the fair value of investments	132,576	19,733,219
Interest, dividends, and other	27,399,906	383,269,176
Total investment income (loss)	27,532,482	403,002,395
Total additions	106,976,236	28,483,858,046
Deductions:		
Pool participant withdrawals	8,819,860	
Warrants redeemed		27,551,627,349
Total deductions	8,819,860	27,551,627,349
Change in net position restricted for pool participants	98,156,376	
Change in balances of amounts held in appropriated treasury funds		932,230,697
Net position - beginning	486,214,266	10,537,039,480
Net position - ending	\$ 584,370,642	\$ 11,469,270,177

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

ARKANSAS TREASURER OF STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies

A. Reporting Entity/History

Ark. Const. art. 6 created the office of the Treasurer of State, who is elected by the qualified electors of the State. Arkansas Code Annotated specifies the duties of the Treasurer of State, including banking and investing functions of the State's appropriated treasury funds and the Treasurer's money management trust fund; distribution of the State's general, special, and certain other revenues; distributions to local government entities; receipt and allocation of the State's Tobacco Settlement proceeds; debt service payments on the State's general obligation bonds and certain revenue bonds; as well as other duties.

B. Basis of Presentation – Fund Accounting

The accounting system is organized and operated on a fund basis. 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 all related liabilities and residual equities or 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, if applicable to this Agency, are recognized in the accompanying financial statements.

Governmental Funds

General Fund – General Fund is the general operating fund and is used to report all financial resources, except those required to be accounted for in another fund.

Fiduciary Funds

Investment Trust and Custodial Funds – Trust and custodial funds are used to report resources held by the Agency in a trustee capacity or as an agent for individuals, other governmental units, and other funds. These include Pension Trust Funds, Employee Health Trust Funds, Investment Trust Funds, Private-Purpose Trust Funds, and Custodial Funds. The specific activity accounted for at this Agency includes the following:

The Investment Trust Fund accounts for assets held by the Agency in an investment pool and are further described in Note 2.

The Custodial Fund accounts for assets held by the Agency in a custodial capacity for other state governmental units in accordance with constitutional and other legal requirements.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized and reported in the financial statements. Financial statements for governmental funds are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. "Available" means collectible within the current period or soon enough thereafter to pay current liabilities (i.e., 45 days). Expenditures are generally recognized under the modified accrual basis when the related fund liability is incurred. Revenues from federal grants and federal reimbursements are recognized when all applicable eligibility requirements and the availability criteria of 45 days have been met. The economic resources measurement focus and accrual basis of accounting are used in all Proprietary and Fiduciary Fund financial statements. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when incurred.

D. Cash and Cash Equivalents

Cash and cash equivalents include demand accounts, imprest accounts, cash on hand, cash in State Treasury, all certificates of deposit with maturities at purchase of 90 days or less, and all short-term instruments with maturities at purchase of 90 days or less.

ARKANSAS TREASURER OF STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Deposits and Investments

State Treasury Management Law

Ark. Code Ann. §§ 19-4-501 – 19-3-523 governs the management of monies held by the Treasurer of State and prescribes the eligible deposits and investments of the office. Ark. Code Ann. §§ 19-3-701 – 19-3-705 created the State Board of Finance and grants the Board the authority to establish, maintain, and enforce all policies and procedures concerning management and investment of State Treasury funds.

The Treasurer of State has adopted an investment policy approved by the State Board of Finance that describes the proportion, duration, and other characteristics of eligible investments. The policy objectives are the preservation of capital, maintaining the necessary levels of liquidity, and optimizing return on investments.

Deposits

Deposits are carried at cost and consist of cash in bank, cash in State Treasury, and certificates of deposit. State Treasury Management Law governs the management of funds held in the State Treasury, and the Treasurer of State is responsible for ensuring these funds are adequately insured and collateralized.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the Agency will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Agency's collateralization policy requires the use of depository insurance and collateralization deposits with prescribed securities having a market value equal to or exceeding 105% of the total balance and any accrued interest. Securities pledged as collateral are placed in the custody of the third-party safekeeping agents under contract provisions preventing access by the pledging bank unless granted by the Treasurer of State. As of June 30, 2024, none of the Agency's bank balance of \$1,077,606,717 was exposed to custodial credit risk.

Investments

Except for certain interest-earning investment contracts, commercial paper, and money market investments, investments are reported at fair value. The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation assumptions used to measure the fair value of the asset as follows:

- Level 1 – quoted prices in active markets for identical assets
- Level 2 – significant other observable assumptions
- Level 3 – significant unobservable assumptions

The Agency has the following recurring fair value measurements as of June 30, 2024:

<u>Investments measured at fair value</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>
Mortgage-backed securities	\$ 5,905,061,642		\$ 5,905,061,642
Israel bonds	49,792,793		49,792,793
Municipal bonds	39,801,109		39,801,109
U.S. government agency bonds	1,451,608,871		1,451,608,871
SBA loan backed securities	40,961,470		40,961,470
Corporate bonds	638,483,815		638,483,815
U.S. Treasuries	771,552,999	\$ 771,552,999	
Total	<u>\$ 8,897,262,699</u>	<u>\$ 771,552,999</u>	<u>\$ 8,125,709,700</u>

U.S. Treasury holdings are classified as Level 1 in the preceding table and are valued based on published market prices and quotations from active markets for those securities.

ARKANSAS TREASURER OF STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Deposits and Investments (Continued)

Investments (Continued)

The remaining fixed income investments are classified as Level 2 and are valued using observable inputs. Observable inputs are those that reflect the assumptions market participants use in pricing the asset and are obtained from independent sources. Examples of observable inputs are quoted prices for similar assets in active markets and inactive markets and pricing models based on the investment relationship to benchmark securities quoted prices. Prices are obtained from a reputable independent pricing sources.

Nonparticipating contracts (certificates of deposit) and participating interest-earning investment contracts that have a remaining maturity at the time of purchase of one year or less are reported at amortized cost. Changes in the fair value of investments are recognized as revenue in the operating statements.

As of June 30, 2024, the Agency has the following investment balances and segmented maturities:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less than 1	1-5	6-10	More than 10
Money market accounts	\$ 928,680,518	\$ 928,680,518			
Commercial paper	921,053,214	921,053,214			
Mortgage-backed securities	5,905,061,642	21,357,736	\$ 996,823,493	\$ 876,347,048	\$ 4,010,533,365
Israel bonds	49,792,793	16,674,258	33,118,535		
Municipal bonds	39,801,109	790,417	34,270,383	4,740,309	
U.S. government agency bonds	1,451,608,871	94,749,290	951,803,529	319,186,665	85,869,387
SBA loan backed securities	40,961,470			19,691,180	21,270,290
Corporate bonds	638,483,815		150,250,931	488,232,884	
U.S. Treasuries	771,552,999	222,965,261	420,824,457	127,763,281	
Total	<u>\$ 10,746,996,431</u>	<u>\$ 2,206,270,694</u>	<u>\$ 2,587,091,328</u>	<u>\$ 1,835,961,367</u>	<u>\$ 4,117,673,042</u>

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Agency’s interest rate risk policy is that the weighted average maturity of the total portfolio will not exceed 10 years and the expected maturity of any security will not exceed 10 years except for (1) securities used as collateral in repurchase agreements, Arkansas Capital Corporation Bonds, and Certificates of Indebtedness for the State Board of Finance and State Building Services and (2) direct obligations of the U.S. government, and obligations of agencies and instrumentalities created by acts of the United States Congress and authorized thereby to issue securities or evidence of indebtedness, regardless of guarantee of repayment by the United States Government. (3) U.S. Agency mortgage-backed securities, collateralized mortgage obligations, and municipal bonds that return principal in scheduled payments prior to final maturity shall not have, at the time of purchase, an average life exceeding 15 years using average life assumptions while employing the Prepayment Speed Assumption (PSA) and/or Conditional Prepayment Rate (CPR) analysis models. The average life at the time of purchase shall be used as opposed to maturity. U.S. Agency mortgage-backed securities and collateralized mortgage obligations which have an average life of greater than 10 years shall not exceed 5% of the total portfolio at the time of purchase.

The investment policy for funds managed by the State Treasurer for the State Treasury Money Management Trust Fund states that the average maturity of the portfolio will not exceed 60 days, and the stated maturity of any security will not exceed 397 days, with the exception of (1) securities used as collateral in repurchase agreements and (2) U.S. Agency mortgage-backed securities, collateralized mortgage obligations, and municipal bonds that return principal in scheduled payments prior to final maturity shall not have, at the time of purchase, an average life exceeding 397 days using average life assumptions while employing PSA and/or CPR analysis models. Securities for which average life at the time of purchase is used shall not have a stated final maturity beyond two years. The summary shown above indicates that 79% of the Agency’s investment maturities are one year or longer.

ARKANSAS TREASURER OF STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Deposits and Investments (Continued)

Investments (Continued)

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Agency’s credit risk policy references Nationally Recognized Statistical Rating Organizations (NRSROs) that rate the issued investments. Three commonly used NRSROs are S&P, Moody’s, and Fitch Ratings, Inc. The policy is that readily marketable commercial paper and corporate bond issues carry an investment grade rating by at least two NRSROs. Investment grade is defined in the policy as being rated BBB (or the equivalent) or higher for long term debt instruments and A2/P2 (or the equivalent) or higher for short term debt instruments. No investment shall be made in commercial paper or bonds that at the time of purchase hold the minimum rating and are on negative credit watch. The Agency’s exposure to credit risk as of June 30, 2024, is as follows:

Rating	Fair Value
AAA	\$ 1,623,987,642
AA	888,279,514
A	464,694,358
BBB	137,895,799
P-1	246,220,513
P-2	8,955,680
A-1	280,086,712
A-2	385,790,309
Unrated	4,952,413,560
Total	\$ 8,988,324,087

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Agency has adopted the State Board of Finance Policy requiring the use of depository insurance and collateralization procedures to manage the risk that investments may not be returned. As of June 30, 2024, none of the Agency’s investments were exposed to custodial credit risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the Agency’s investment in a single issuer. The Agency investment policy places no limit on the amount that can be invested in the U.S. government agency securities. The Agency policy for corporate debt, including both commercial paper and the bonded debt of an issuer, was that no investment shall be made in any single issuer, which at the time of purchase exceeds 5% of the total portfolio of the Treasury or the Money Management Trust Fund (MMTF), and that total corporate debt will not exceed 30% of the total portfolio of the Treasury or MMTF, with the exception that second-tier commercial paper may not exceed 5% of the total portfolio of the Treasury or the MMTF. As of June 30, 2024, the Agency has the following investments that represent more than 5% of total fiduciary investments, excluding investments that are explicitly guaranteed by the U.S. Government, investments in mutual funds, and investments that are fully insured or collateralized:

Federal Home Loan Mortgage Corporation	26.25%
Federal National Mortgage Association	25.37%

Mortgage-Backed Securities – As of June 30, 2024, mortgage-backed securities made up 49% of total fiduciary assets held by the Agency with a market value of \$5,905,061,642. The yields and maturities of mortgage-backed securities generally depend on when the underlying mortgage loan principal and interest are repaid. Although the full amount of principal will be received if prepaid, the interest income that would have been received during the remaining period to maturity, net of any market adjustment, is lost.

ARKANSAS TREASURER OF STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Prepaid Expenses

Prepaid expenses generally represent the cost of consumable supplies on hand or unexpired services at year-end. The cost of these items is included with expenditures at the time of purchase. Prepaid expenses, as reported in the general fund financial statements, are also recorded as a nonspendable component of fund balance indicating that they do not constitute “available, spendable financial resources.”

G. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a decrease of net position that applies to future periods. Thus, these items will not be recognized as an outflow of resources (an expense or expenditure) until a future period.

Deferred inflows of resources represent an increase of net position that applies to future periods. These items will not be recognized as an inflow of resources (revenue) until a future period.

H. Fund Equity

Fund Balance

In the financial statements, fund balance is reported in one of five classifications, where applicable, based on the constraints imposed on the use of the resources.

The nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form (e.g., prepaid items, inventories, long-term amount of loans and notes receivables, etc.) or (b) legally or contractually required to be maintained intact.

The spendable portion of fund balance, where applicable, comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes according to constraints imposed by legislation of the General Assembly, the government’s highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the General Assembly removes or changes the constraint by the same action that imposed the constraint.

Assigned fund balance. This classification reflects amounts constrained by the State’s “intent” to be used for specific purposes but are neither restricted nor committed. The General Assembly has the authority to assign amounts to be used for specific purposes by legislation or approved methods of financing.

Unassigned fund balance. This amount is the residual classification for the general fund.

When more than one spendable classification is available for use, it is the State’s policy to use the resources in this order: restricted, committed, assigned, and unassigned.

ARKANSAS TREASURER OF STATE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1: Summary of Significant Accounting Policies (Continued)

I. Budgetary Data

The State utilizes an annual budgeting process with budget amounts initially derived from the previous fiscal year's funded allocation. In accordance with the appropriations and funding provided by the Legislature, individual state agencies have been charged with the responsibility of administering and managing their programs as authorized by the Legislature. Agencies are also charged with the responsibility of preparing an annual operations plan as a part of the budgetary process for the operation of each of their assigned programs. State law provides for the establishment of a comprehensive financial management system that includes adequate controls over receipts, expenditures, and balances of Agency funds. It is mandated that this system include a modified accrual system, conform with generally accepted governmental accounting principles, and provide a reporting system whereby actual expenditures are compared to expenditures projected in the Agency's annual operation plan.

NOTE 2: State Treasury Money Management Trust Fund

Ark. Code Ann. §§ 19-3-301 – 19-3-606 authorized the Arkansas Treasurer of State to establish the State Treasury Money Management Trust Fund to provide additional investment opportunities for state agencies and political subdivisions. Participation in the fund is voluntary. As of June 30, 2024, there were 11 participants in the fund.

The fund is not registered with the Securities and Exchange Commission (SEC) as an investment company. The portfolio of the Fund's investments is determined by the Chief Investment Officer of the Treasurer of State, in accordance with State Treasury Management Law, with review by Treasury management. The fair values of the Fund's investments are determined for financial statement purposes in accordance with the standards discussed in Note 1. The total value of the participants' shares in the pool is the same as the total value of the pool. No legally binding guarantees were provided or obtained to support the value of shares of the fund.

The holdings of the State Treasury Money Management Trust Fund as of June 30, 2024, consisted of commercial paper, demand and money market accounts, U.S. government agency bonds, and U.S. treasuries. The financial statements of the fund are presented in Exhibits D and E.

ARKANSAS TREASURER OF STATE
DISTRIBUTION OF GENERAL REVENUE
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 1

Description	Amount	Percentage
Public education	\$ 3,920,642,980	45.02%
Human services	1,845,941,194	21.20%
Tax refunds	912,530,836	10.48%
Public safety	655,713,093	7.53%
General revenue allotment reserve	648,421,674	7.45%
General government	269,972,195	3.10%
Economic development, agriculture, and labor	99,343,583	1.14%
Public health and environmental quality	86,046,833	0.99%
Aid to local governments	66,488,623	0.76%
Parks, recreation, and heritage	29,820,373	0.33%
Other	173,859,086	2.00%
 Total general revenue distribution	 \$ 8,708,780,470	 100%

ARKANSAS TREASURER OF STATE
DISTRIBUTION OF INTEREST RECEIPTS FROM THE SECURITIES RESERVE FUND (TAS)
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 2

Payee	Fund	Amount	Authority
County Aid Fund	MLC	\$ 2,624,772	Ark. Code Ann. §§ 27-70-204, -206 - Distribution of interest on State Highway Department funds.
Municipal Aid Fund	MLM	2,624,772	Ark. Code Ann. §§ 27-70-204, -206 - Distribution of interest on State Highway Department funds.
Various Funds	N Funds	8,467,569	Ark. Code Ann. § 19-3-518 - Interest earnings on balances previously held as cash funds in financial institutions other than the State Treasury.
Federal Grant Interest	FIG	173,018	Interest earnings on deposits from the Edward Byrne Justice Assistance Grant Program.
Help America Vote Fund	FSS	170,843	Ark. Code Ann. § 7-4-101 - Interest earnings on deposits of the Help America Vote Fund.
Highway Department Fund	RRA	21,973,612	Ark. Code Ann. §§ 27-70-204, -206 - Distribution of interest on State Highway Department funds.
Game Protection Fund	SDG	2,881,986	Ark. Code Ann. § 15-41-110 - Interest earned on Game and Fish funds. (After 3% Treasurer of State service charge)
Budget Stabilization Trust Fund	TBS	21,697,544	Ark. Code Ann. § 19-5-905(a)(9) - After distribution in subdivision (a)(7) and (8), a transfer of \$5 million each fiscal year to the Budget Stabilization Trust Fund. (a)(11) - For a transfer on the last business day of the fiscal year to the Budget Stabilization Trust Fund to reimburse the Budget Stabilization Trust Fund for any current fiscal year transfers that have been made to the applicable funds.
State Central Services Fund	HSC	649,639	Ark. Code Ann. §§ 27-70-204, -206 - Distribution of interest on State Highway Department funds. Ark. Code Ann. § 15-41-110 - Interest earned on Game and Fish funds. (2/3 of Treasurer of State service charge)
Catastrophic Reserve Fund	SRD	285,306,176	Ark. Code Ann. § 19-5-905(a)(12) - After all distribution and transfers ..., less \$100,000..., for a transfer by the Chief Fiscal Officer of the State on the last business day of the fiscal year of the fund balance to the Long Term Reserve Fund if funds are available.
Arkansas Highway Transfer Fund	SHI	20,000,000	Ark. Code Ann. §19-5-905(a)(10) - After the transfer to the Budget Stabilization Trust Fund enumerated in subdivision (a)(9) of this section, for a transfer by the Chief Fiscal Officer of the State of \$20 million beginning in fiscal year 2018 and each fiscal year thereafter to the Arkansas Highway Transfer Fund as funds are available.
Constitutional Officers Fund	MCF	<u>309,281</u>	Ark. Code Ann. §§ 27-70-204, -206 - Distribution of interest on State Highway Department funds. Ark. Code Ann. § 15-41-110 - Interest earned on Game and Fish funds. (1/3 of Treasurer of State service charge)
TOTAL		<u><u>\$ 366,879,212</u></u>	

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO COUNTIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 3

County	County Aid Fund (MLC)	Property Tax Relief Fund (TPR)
Arkansas County	\$ 2,547,876	\$ 1,747,495
Ashley County	2,395,923	1,893,810
Baxter County	3,132,616	5,413,287
Benton County	9,181,083	25,995,048
Boone County	2,779,692	3,950,379
Bradley County	1,777,375	991,147
Calhoun County	1,578,291	563,120
Carroll County	2,472,572	2,994,292
Chicot County	1,775,961	838,623
Clark County	2,262,702	1,826,189
Clay County	1,839,564	1,494,289
Cleburne County	2,741,832	2,705,243
Cleveland County	1,678,066	851,800
Columbia County	3,162,983	1,980,730
Conway County	2,124,867	2,351,722
Craighead County	4,310,741	9,018,911
Crawford County	3,373,322	5,940,041
Crittenden County	6,937,256	3,469,737
Cross County	1,939,818	1,587,340
Dallas County	1,638,054	646,991
Desha County	1,892,403	882,179
Drew County	2,181,831	1,485,354
Faulkner County	5,096,070	11,684,807
Franklin County	2,165,722	1,836,627
Fulton County	1,852,000	1,420,644
Garland County	7,473,934	10,507,139
Grant County	2,054,944	1,978,366
Greene County	2,641,918	3,934,556
Hempstead County	2,162,154	1,734,721
Hot Spring County	2,577,618	3,192,803
Howard County	1,811,803	1,164,512
Independence County	2,879,768	3,670,943
Izard County	1,809,700	1,536,062
Jackson County	1,869,239	1,265,747
Jefferson County	5,392,477	5,206,440
Johnson County	2,715,122	2,555,664
Lafayette County	1,772,966	627,276
Lawrence County	1,888,864	1,511,784
Lee County	1,713,410	587,710
Lincoln County	1,840,573	918,663
Little River County	1,750,198	1,318,748
Logan County	2,451,339	2,391,801
Lonoke County	3,792,918	6,971,707
Madison County	2,372,227	1,778,541
Marion County	2,163,775	2,058,095
Miller County	2,747,458	3,931,346
Mississippi County	2,633,876	3,075,732
Monroe County	1,600,846	554,531

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO COUNTIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 3

County	County Aid Fund (MLC)	Property Tax Relief Fund (TPR)
Montgomery County	\$ 3,208,544	\$ 1,024,321
Nevada County	1,781,149	748,394
Newton County	2,364,852	1,012,772
Ouachita County	2,855,661	2,149,154
Perry County	1,969,536	1,119,662
Phillips County	1,961,388	1,202,834
Pike County	1,853,755	1,049,034
Poinsett County	2,241,020	1,988,953
Polk County	2,827,370	2,103,390
Pope County	3,960,134	5,956,997
Prairie County	1,738,070	836,524
Pulaski County	11,034,702	34,256,492
Randolph County	2,068,672	1,771,836
Saline County	5,403,647	13,783,572
Scott County	2,894,755	978,769
Searcy County	1,839,887	884,662
Sebastian County	4,352,010	11,788,567
Sevier County	1,877,283	1,424,012
Sharp County	1,945,804	2,009,292
St. Francis County	2,028,718	1,438,086
Stone County	2,046,950	1,334,154
Union County	4,337,408	3,942,373
Van Buren County	2,298,420	1,860,606
Washington County	8,013,513	19,336,363
White County	4,356,001	7,239,802
Woodruff County	1,548,893	534,539
Yell County	2,910,684	1,931,092
Totals	<u>\$ 218,674,573</u>	<u>\$ 279,748,944</u>

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Adona	\$ 14,604	\$ 149
Alexander	331,784	3,375
Alicia	14,016	143
Alma	570,943	5,807
Almyra	25,092	255
Alpena	36,658	373
Altheimer	68,219	694
Altus	65,181	663
Amagon	6,763	69
Amity	66,749	679
Anthonyville	13,232	135
Antoine	11,076	113
Arkadelphia	1,017,452	10,349
Arkansas City	36,854	375
Ash Flat	111,444	1,134
Ashdown	417,646	4,248
Atkins	280,228	2,850
Aubrey	10,586	108
Augusta	195,845	1,992
Austin	339,135	3,450
Avoca	47,734	486
Bald Knob	247,196	2,514
Banks	8,527	87
Barling	468,712	4,768
Bassett	12,154	124
Batesville	1,096,896	11,157
Bauxite	61,652	627
Bay	183,878	1,870
Bearden	76,060	774
Beaver	6,567	67
Beebe	826,999	8,412
Beedeville	8,233	84
Bella Vista	2,950,672	30,013
Bellefonte	40,285	410
Belleville	30,581	311
Ben Lomond	13,722	140
Benton	3,432,088	34,909
Bentonville	5,308,935	54,001
Bergman	41,755	425
Berryville	556,927	5,665
Big Flat	8,625	88
Bigelow	34,502	351
Biggers	29,895	304
Birdsong	3,136	32
Biscoe	29,895	304

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Black Oak	\$ 22,838	\$ 232
Black Rock	57,829	588
Black Springs	9,409	96
Blevins	28,229	287
Blue Eye	3,867	46
Blue Mountain	8,625	88
Bluff City	11,566	118
Blytheville	1,314,002	13,366
Bodcaw	11,860	121
Bonanza	57,535	585
Bono	236,120	2,402
Booneville	373,343	3,798
Bradford	66,455	676
Bradley	39,696	404
Branch	29,013	295
Briarcliff	23,132	235
Brinkley	264,643	2,692
Brookland	398,337	4,052
Bryant	2,025,397	20,601
Buckner	16,173	165
Bull Shoals	191,327	1,946
Burdette	13,722	140
Cabot	2,604,305	26,489
Caddo Valley	58,319	593
Caldwell	44,205	450
Cale	7,155	73
Calico Rock	177,899	1,810
Calion	42,049	428
Camden	1,040,145	10,580
Cammack Village	76,256	776
Campbell Station	22,740	231
Caraway	111,052	1,130
Carlisle	199,266	2,027
Carthage	21,760	221
Casa	11,762	120
Cash	27,444	279
Caulksville	15,094	154
Cave City	188,387	1,916
Cave Springs	538,598	5,478
Cedarville	139,575	1,420
Centerton	1,743,899	17,738
Central City	45,185	460
Charleston	253,665	2,580
Cherokee Village	468,527	4,766
Cherry Valley	56,359	573
Chester	14,114	144
Chidester	24,798	252

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Clarendon	\$ 149,572	\$ 1,521
Clarkedale	32,933	335
Clarksville	919,487	9,353
Clinton	245,922	2,501
Coal Hill	80,373	818
Colt	28,719	292
Concord	18,623	189
Conway	6,286,617	63,943
Corning	316,297	3,217
Cotter	86,842	883
Cotton Plant	44,470	527
Cove	31,267	318
Coy	8,527	87
Crawfordsville	45,283	461
Crossett	472,633	4,807
Cushman	42,441	432
Daisy	8,625	88
Damascus	37,442	381
Danville	198,776	2,022
Dardanelle	442,738	4,503
Datto	6,371	65
Decatur	173,782	1,768
Delaplaine	6,273	64
Delight	28,229	287
Dell	19,015	193
Denning	19,603	199
DeQueen	598,415	6,087
Dermott	189,742	2,015
Des Arc	186,720	1,899
DeValls Bluff	50,968	518
DeWitt	299,537	3,047
Diamond City	74,198	755
Diaz	119,972	1,220
Dierks	89,783	913
Donaldson	26,954	274
Dover	131,047	1,333
Dumas	392,162	3,989
Dyer	75,668	770
Dyess	33,227	338
Earle	179,467	1,825
East Camden	78,217	796
Edmondson	23,818	242
Egypt	11,076	113
El Dorado	1,740,371	17,703
Elaine	49,890	507
Elkins	353,053	3,591

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Elm Springs	\$ 231,416	\$ 2,354
Emerson	28,719	292
Emmet	40,677	414
England	242,786	2,470
Enola	31,169	317
Etowah	24,896	253
Eudora	169,372	1,723
Eureka Springs	212,303	2,159
Evening Shade	41,167	419
Everton	10,194	104
Fairfield Bay	206,617	2,102
Fargo	5,587	57
Farmington	743,353	7,561
Fayetteville	9,208,499	93,666
Felsenthal	8,331	85
Fifty Six	15,486	158
Fisher	17,643	179
Flippin	131,831	1,341
Fordyce	332,862	3,386
Foreman	95,762	974
Forrest City	1,275,677	12,976
Fort Smith	8,737,336	88,874
Fouke	79,197	806
Fountain Hill	10,586	108
Fountain Lake	46,558	474
Fourche	5,489	56
Franklin	18,721	190
Friendship	15,486	158
Fulton	11,272	115
Garfield	58,123	591
Garland	19,113	194
Garner	20,681	210
Gassville	212,793	2,164
Gateway	42,735	435
Gentry	371,480	3,779
Georgetown	7,939	81
Gilbert	2,548	26
Gillett	55,281	562
Gillham	15,389	157
Gilmore	17,251	175
Glenwood	202,697	2,062
Goshen	206,029	2,096
Gosnell	285,226	2,901
Gould	64,985	661
Grady	29,895	304
Grannis	48,616	495
Gravette	347,663	3,536

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Green Forest	\$ 291,303	\$ 2,963
Greenbrier	559,377	5,690
Greenland	118,893	1,209
Greenway	17,055	173
Greenwood	932,720	9,487
Greers Ferry	80,471	819
Griffithville	15,192	155
Grubbs	29,503	300
Guion	6,665	68
Gum Springs	8,919	91
Gurdon	180,349	1,834
Guy	73,708	750
Hackett	76,844	782
Hamburg	248,568	2,528
Hampton	115,757	1,177
Hardy	72,826	741
Harrell	20,583	209
Harrisburg	216,811	2,205
Harrison	1,280,946	13,030
Hartford	48,910	498
Hartman	50,576	514
Haskell	387,751	3,944
Hatfield	33,816	344
Havana	23,426	238
Haynes	11,958	122
Hazen	145,162	1,477
Heber Springs	683,073	6,948
Hector	40,285	410
Helena-West Helena	926,575	9,490
Hermitage	51,458	523
Hickory Ridge	22,348	227
Higden	11,174	114
Higginson	69,101	703
Highfill	155,551	1,582
Highland	96,252	979
Hindsville	8,821	90
Holiday Island	235,140	2,392
Holland	57,437	584
Holly Grove	45,087	459
Hope	877,355	8,925
Horatio	90,175	917
Horseshoe Bend	239,170	2,433
Horseshoe Lake	25,876	263
Hot Springs	8,561,204	37,816
Houston	14,016	143
Hoxie	254,645	2,590
Hughes	103,505	1,053
Humnoke	21,465	218

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Humphrey	\$ 38,922	\$ 462
Hunter	10,096	103
Huntington	48,028	489
Huntsville	282,188	2,870
Huttig	43,911	447
Imboden	62,730	638
Jacksonport	14,702	150
Jacksonville	2,889,349	29,388
Jasper	53,615	545
Jennette	11,566	118
Jericho	9,606	98
Johnson	353,739	3,598
Joiner	48,812	497
Jonesboro	7,701,700	78,339
Judsonia	181,722	1,848
Junction City	49,302	501
Keiser	73,610	749
Kensett	137,229	1,396
Keo	20,289	206
Kibler	98,506	1,002
Kingsland	34,012	346
Knobel	14,408	147
Knoxville	64,691	658
Lafe	40,971	417
LaGrange	5,097	52
Lake City	227,985	2,319
Lake View	27,489	326
Lake Village	202,403	2,059
Lakeview	75,962	773
Lamar	168,489	1,714
Lavaca	240,139	2,443
Leachville	199,855	2,033
Lead Hill	26,856	273
Leola	45,087	459
Lepanto	169,764	1,727
Leslie	36,756	374
Letona	23,524	239
Lewisville	89,685	912
Lexa	20,289	206
Lincoln	224,849	2,287
Little Flock	299,439	3,046
Little Rock	19,856,638	201,966
Lockesburg	58,221	592
London	91,743	933
Lonoke	419,135	4,263
Lonsdale	10,096	103

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Louann	\$ 14,996	\$ 153
Lowell	964,379	9,809
Luxora	92,331	939
Lynn	25,288	257
Madison	74,394	757
Magazine	72,532	738
Magness	21,563	219
Magnolia	1,094,054	11,128
Malvern	1,065,139	10,834
Mammoth Spring	91,057	926
Manila	360,895	3,671
Mansfield	103,211	1,050
Marianna	350,407	3,564
Marie	10,586	108
Marion	1,347,977	13,711
Marked Tree	224,064	2,279
Marmaduke	118,795	1,208
Marshall	130,263	1,325
Marvell	83,804	852
Maumelle	1,886,905	19,193
Mayflower	194,473	1,978
Maynard	37,148	378
McCaskill	5,587	57
McCroy	155,159	1,578
McDougal	13,134	134
McGehee	377,263	3,837
McNab	2,941	30
McNeil	37,344	380
McRae	60,378	614
Melbourne	179,369	1,824
Mena	547,811	5,572
Menifee	26,856	273
Midland	22,250	226
Midway	36,952	376
Mineral Springs	106,347	1,082
Minturn	8,527	87
Mitchellville	28,719	292
Monette	147,612	1,501
Monticello	827,451	8,417
Montrose	23,818	242
Moorefield	12,350	126
Moro	17,349	176
Morrilton	685,327	6,971
Morrison Bluff	7,645	78
Mount Ida	97,624	993
Mount Pleasant	34,600	352
Mount Vernon	14,114	144

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Mountain Home	\$ 1,257,054	\$ 12,786
Mountain Pine	57,339	583
Mountain View	281,992	2,868
Mountainburg	51,752	526
Mulberry	151,239	1,538
Murfreesboro	146,534	1,491
Nashville	407,060	4,140
Newark	115,659	1,176
Newport	784,617	7,981
Nimmons	6,763	69
Norfork	45,577	464
Norman	25,471	302
Norphlet	75,080	764
North Little Rock	6,330,947	64,396
Oak Grove	37,834	385
Oak Grove Heights	108,210	1,101
Oakhaven	5,464	65
Oden	17,643	179
Ogden	12,840	131
Oil Trough	22,152	225
O'Kean	18,819	191
Okolona	9,508	97
Ola	91,547	931
Omaha	12,546	128
Oppelo	72,238	735
Osceola	683,791	6,955
Oxford	56,163	571
Ozan	4,901	50
Ozark	347,172	3,531
Palestine	49,596	504
Pangburn	49,008	498
Paragould	2,895,097	29,448
Paris	311,299	3,166
Parkdale	16,859	171
Parkin	77,825	792
Patmos	5,587	57
Patterson	30,385	309
Pea Ridge	642,887	6,539
Peach Orchard	10,292	105
Perla	25,190	256
Perry	25,680	261
Perrytown	22,740	231
Perryville	134,576	1,369
Piggott	355,014	3,611
Pindall	9,312	95
Pine Bluff	9,178,971	41,129
Pineville	15,094	154

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Plainview	\$ 45,773	\$ 466
Pleasant Plains	34,502	351
Plumerville	71,944	732
Pocahontas	722,509	7,349
Pollard	18,917	192
Portia	41,559	423
Portland	31,855	324
Pottsville	307,770	3,131
Powhatan	10,194	104
Poyen	25,778	262
Prairie Grove	690,522	7,024
Prattsville	28,327	288
Prescott	303,947	3,092
Pyatt	17,741	180
Quitman	68,023	692
Ratcliff	16,369	167
Ravenden	41,755	425
Ravenden Springs	11,664	119
Rector	182,506	1,856
Redfield	147,514	1,500
Reed	12,742	130
Reyno	38,324	390
Rison	94,781	964
Rockport	66,259	674
Roe	6,665	68
Rogers	6,852,098	69,697
Rondo	15,977	163
Rose Bud	48,420	493
Rosston	26,660	271
Rudy	12,742	130
Russell	18,035	183
Russellville	2,836,581	28,853
Salem	153,493	1,561
Salesville	46,362	472
Scranton	24,014	244
Searcy	2,248,191	22,868
Sedgwick	15,977	163
Shannon Hills	440,092	4,476
Sheridan	486,632	4,905
Sherrill	5,195	53
Sherwood	3,208,307	32,632
Shirley	24,308	247
Sidney	18,819	191
Siloam Springs	1,694,401	17,235
Smackover	159,766	1,625
Smithville	8,527	87
South Lead Hill	8,429	86

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Southside	\$ 419,410	\$ 4,266
Sparkman	34,796	354
Springdale	8,546,200	86,913
Springtown	8,135	83
St. Charles	20,289	206
St. Francis	21,367	217
St. Joe	10,844	129
St. Paul	10,880	111
Stamps	123,304	1,254
Star City	212,989	2,166
Stephens	75,472	768
Strawberry	26,268	267
Strong	40,187	409
Stuttgart	810,041	8,239
Subiaco	39,304	400
Success	9,606	98
Sulphur Rock	59,692	607
Sulphur Springs	47,146	480
Summit	53,321	542
Sunset	18,035	183
Swifton	71,846	731
Taylor	56,751	577
Texarkana	2,880,527	29,298
Thornton	33,227	338
Tillar	16,859	171
Tinsman	4,901	50
Tollette	18,133	184
Tontitown	421,567	4,288
Traskwood	48,518	494
Trumann	725,220	7,377
Tuckerman	167,313	1,702
Tull	47,440	483
Tupelo	6,861	70
Turrell	50,674	515
Twin Groves	31,071	316
Tyronza	70,179	714
Ulm	17,153	174
Valley Springs	17,937	182
Van Buren	2,275,734	23,148
Vandervoort	11,272	115
Victoria	1,960	20
Vilonia	420,292	4,275
Viola	35,090	357
Wabbaseka	17,643	179
Waldenburg	5,195	53
Waldo	112,816	1,148
Waldron	331,882	3,376

ARKANSAS TREASURER OF STATE
DISTRIBUTION TO CITIES
FOR THE YEAR ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 4

City Name	Municipal Aid Fund (MLM)	Property Tax Relief Fund (TPR)
Walnut Ridge	\$ 527,718	\$ 5,368
Ward	593,220	6,034
Warren	534,481	5,437
Washington	9,213	94
Watson	18,133	184
Weiner	63,416	645
Weldon	5,587	57
West Fork	228,475	2,324
West Memphis	13,343,222	24,446
West Point	16,663	169
Western Grove	34,698	353
Wheatley	27,346	278
Whelen Springs	4,607	47
White Hall	547,027	5,564
Wickes	62,436	635
Widener	20,779	211
Wiederkehr Village	4,901	50
Williford	7,743	79
Willisville	14,506	148
Wilmar	38,716	394
Wilmot	40,775	415
Wilson	75,080	764
Wilton	28,131	286
Winchester	13,428	137
Winslow	35,776	364
Winthrop	11,370	116
Wooster	102,133	1,039
Wrightsville	151,141	1,537
Wynne	814,905	8,289
Yellville	115,463	1,174
Zinc	9,017	92
Totals	<u>\$ 217,508,928</u>	<u>\$ 2,000,000</u>

ARKANSAS TREASURER OF STATE
SCHEDULE OF SELECTED INFORMATION
FOR THE FIVE-YEAR PERIOD ENDED JUNE 30, 2024
(UNAUDITED)

Schedule 5

	For the Year Ended June 30,				
	2024	2023	2022	2021	2020
General Fund					
Total Assets	\$ 320,241,516	\$ 234,182,534	\$ 245,025,780	\$ 188,582,077	\$ 140,657,690
Total Liabilities	8,195,896	7,828,082	6,473,116	5,410,376	5,146,146
Total Deferred Inflows of Resources	25,462,844	27,804,938	30,489,529	29,752,601	26,485,319
Total Fund Equity	286,582,776	198,549,514	208,063,135	153,419,100	109,026,225
Net Revenues	1,178,890,813	1,070,621,569	843,368,632	741,951,878	711,291,722
Total Expenditures	778,364,683	746,370,409	734,376,317	696,023,669	660,945,468
Total Other Financing Sources (Uses)	(312,492,868)	(333,764,781)	(54,348,280)	(1,535,334)	(46,956,574)
Aggregate Remaining Fund Information					
Total Assets	\$ 12,078,543,908	\$ 11,057,430,571	\$ 9,632,005,558	\$ 8,159,155,417	\$ 6,555,530,476
Total Liabilities	24,903,089	34,176,825			
Total Net Position Restricted for Pool Participants and State Entities	12,053,640,819	11,023,253,746	9,632,005,558	8,159,155,417	6,555,530,476
Total Additions	28,590,834,282	29,343,555,091	28,417,720,946	25,959,203,349	24,690,837,049
Total Deductions	27,560,447,209	27,952,306,903	26,944,870,805	24,355,578,408	24,116,632,432

ARKANSAS TREASURER OF STATE
OTHER GENERAL INFORMATION
JUNE 30, 2024
(UNAUDITED)

A. Capital Assets

Capital assets purchased (or leased) and in the custody of this Agency were recorded as expenditures at the time of purchase (lease inception). Assets with costs exceeding \$5,000 and an estimated useful life exceeding one year are reported at historical cost, including ancillary costs (such as professional fees and costs, freight costs, preparation or setup costs, and installation costs). Infrastructure or public domain fixed assets (such as roads, bridges, tunnels, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems) are also capitalized. Only leases in excess of \$25,000 with non-State entities were recorded in the statewide accounting system. Gifts or contributions are generally recorded in the accounts at acquisition value at the time received. Acquisition value is the market value if the Agency would have purchased the item. In accordance with current accounting principles generally accepted in the United States of America, general capital assets and depreciation are reported in the State's "Government-Wide" financial statements but are not reported in the governmental fund financial statements. Depreciation is reported for proprietary fund capital assets based on a straight-line method, with no salvage value. Estimated useful lives generally assigned are as follows:

Assets:	Years
Equipment	5-20
Buildings and building improvements	20-50
Infrastructure	10-40
Land improvements	10-100
Intangibles	4-95
Other capital assets	10-15

Capital assets activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental activities:				
Equipment	\$ 535,774	\$ 67,736	\$ 2,058	\$ 601,452
Intangibles	1,852,276			1,852,276
Total governmental activities	\$ 2,388,050	\$ 67,736	\$ 2,058	\$ 2,453,728

B. Pension Plan

Arkansas Public Employees Retirement System (APERS)

Plan Description – The Agency contributes to APERS, a cost-sharing, multiple-employer defined benefit pension plan administered by the APERS Board of Trustees. APERS provides retirement and disability benefits, annual redetermination of benefit adjustments, and survivor benefits to plan members and beneficiaries. The Constitution of Arkansas, Article 5, vests with the General Assembly the legislative power to enact and amend benefit provisions of APERS as published in Chapters 2, 3, and 4 of Title 24 of the Arkansas Code Annotated. APERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to Arkansas Public Employees Retirement System, One Union National Plaza, 124 West Capitol, Little Rock, Arkansas 72201 or by calling 1-501-682-7855.

Funding Policy – Contributory plan members are required to contribute 5.25% of their annual covered salary. The Agency is required to contribute for all covered state employees at the rate of 15.32% of annual covered payroll. The contribution requirements of plan members are established and may be amended by the Arkansas General Assembly. The contribution requirements of the Agency are established and may be amended by the APERS Board of Trustees. The Agency's contributions to APERS for the years ended June 30, 2024, 2023, and 2022, were \$365,104, \$355,104, and \$376,405, respectively, equal to the required contributions for each year.

ARKANSAS TREASURER OF STATE
OTHER GENERAL INFORMATION
JUNE 30, 2024
(UNAUDITED)

C. Postemployment Benefits Other Than Pensions (OPEB)

Arkansas State Employee Health Insurance Plan (Plan)

Plan Description – The Department of Transformation and Shared Services – Employee Benefits Division (DTSS-EBD) provides medical and prescription drug benefits for eligible state employees and retirees. Policies for DTSS-EBD related to medical and prescription drug plans are established by the State Board of Finance (Board) and may include ad hoc benefit changes or annual cost redeterminations. For the current year, no ad hoc or cost redetermination changes occurred. The Constitution of Arkansas, Article 5, vests the General Assembly with legislative power to enact and amend duties of and benefit provisions of the Board and DTSS-EBD, respectively, as published in Subchapter 4, Chapter 5 of Title 21 of the Arkansas Code Annotated. DTSS-EBD is included in the State of Arkansas’s Annual Comprehensive Financial Report (ACFR), which includes all applicable financial information, notes, and required supplementary information. That report may be obtained by writing to Department of Transformation and Shared Services, 501 Woodlane, Suite 201, Little Rock, Arkansas 72201 or by calling 501-319-6565.

The Agency contributes to the Plan, a single employer defined benefit OPEB plan administered by DTSS-EBD, on a monthly basis. The Board establishes medical and prescription drug benefits for three classes of covered individuals: active employees, terminated employees with accumulated benefits, and retirees and beneficiaries. The Plan is established on the basis of a pay-as-you-go financing requirement, and no assets are accumulated in a trust, as defined by Governmental Accounting Standards Board (GASB) Statement No. 75. The State’s annual OPEB cost for the Plan is based on an actuarially-determined calculated amount made in accordance with GASB Statement No. 75.

Funding Policy – Employer contributions to the Plan are established by Ark. Code Ann. § 21-5-414. Employees, retirees, and beneficiaries contribute varying amounts based on the type of coverage and inclusion of family members. Benefits for Medicare-eligible retirees are coordinated with Medicare Parts A and B, and the Plan is the secondary payer.

D. Compensated Absences – Employee Leave

Annual leave is earned by all full-time employees. Upon termination, employees are entitled to receive compensation for their unused accrued annual leave up to 30 days. Liabilities for compensated absences are determined at the end of the year based on current salary rates.

Sick leave is earned by all full-time employees and may be accrued up to 120 days. Compensation up to a maximum of \$7,500 for unused sick leave is payable to employees upon retirement.

Compensated absences are reported in the State’s “Government-Wide” financial statements but are not reported as liabilities or expenditures in the governmental funds. However, the compensated absences payable attributable to this Agency’s employee annual and sick leave as of June 30, 2024 and 2023, amounted to \$224,290 and \$222,391, respectively. The net changes to compensated absences payable during the year ended June 30, 2024, amounted to \$1,899.