

**Boone County, Arkansas**

**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2024**



BOONE COUNTY, ARKANSAS  
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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

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the regulatory basis financial statements of Boone County, Arkansas (County), which are comprised of the Balance Sheet – Regulatory Basis for the general fund, road fund, and other funds in the aggregate as of December 31, 2024; the related Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis; the Statement of Revenues, Expenditures, and Change in Fund Balances – Budget and Actual – General and Road Funds – Regulatory Basis for the year then ended; and the related notes to the financial statements.

#### *Unmodified Opinions on Regulatory Basis of Accounting*

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Boone County, Arkansas, as of December 31, 2024; the regulatory basis revenues, expenditures, and changes in fund balance; and the budgetary comparisons for the general fund and road fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

#### *Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying regulatory basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the general fund, road fund, and other funds in the aggregate of Boone County, Arkansas, as of December 31, 2024, or the revenues, expenditures, and changes in fund balance and, where applicable, cash flows thereof for the year then ended.

#### *Basis for Opinions*

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

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

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

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

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the County would have included another fund under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. However, under the regulatory basis, this fund is not required to be included as part of the reporting entity. 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 the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Supplementary Information***

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

**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
April 21, 2026  
LOCO00524

# 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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Boone County, Arkansas (County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated April 21, 2026. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

### Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### Report on Compliance and Other Matters

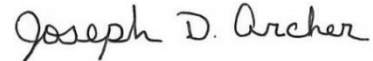
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also reported to management of the County in a separate letter dated April 21, 2026.

### **Purpose of This Report**

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

ARKANSAS LEGISLATIVE AUDIT



Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
April 21, 2026

# Arkansas



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

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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### MANAGEMENT LETTER

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

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

County Judge: Robert Hathaway  
Treasurer: Sandy Carter  
Sheriff: Roy Martin  
Tax Collector: Amy Jenkins  
County Clerk: Crystal Graddy  
Circuit Clerk: Judy Harris  
Assessor: Brandi Diffey  
County Librarian: Ginger Schoenenberger  
Airport Manager: Judy McCutcheon

We would like to communicate the following items that came to our attention during this audit. The purpose of such comments is to provide constructive feedback and guidance, in an effort to assist management in maintaining a satisfactory level of compliance with the state constitution, laws and regulations, and to improve internal control. These matters were discussed previously with County officials during the course of our audit fieldwork and at the exit conference.

#### County Judge

As of report date, Arkansas Legislative Audit and a law enforcement agency are investigating certain financial transactions of the County that will be included in a subsequent report.

Based on our review of the County credit card statements from December 11, 2023 through January 10, 2025, the County was charged \$5,250 and \$503 in finance charges and late fees, respectively, due to partial and untimely payments.

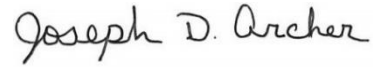
A federal compliance audit is required pursuant to 2 CFR § 200.501 when federal expenditures exceed \$750,000. The City had federal expenditures in excess of \$750,000 in 2022 and has not completed the federal compliance audit as of the report date. The City could be responsible for repayment of federal expenditures if instances of noncompliance are noted during a federal compliance audit. An engagement letter for the 2022 federal compliance audit was signed on January 30, 2025. The County has corresponded with a firm but not officially contracted for an audit for the 2024 federal grants.

#### Other Matters

Three unauthorized withdrawals totaling \$119,372 were made from County bank accounts between May and June 2024. Entity personnel discovered the unauthorized withdrawals upon review of the affected bank accounts and the funds were recovered from the bank.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink that reads "Joseph D. Archer". The signature is written in a cursive style with a large initial "J" and "A".

Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
April 21, 2026

BOONE COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2024

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,424,991	\$ 3,253,961	\$ 11,982,183
Investments			1,601,065
Accounts receivable	304,004	321,814	149,501
Interfund receivables	<u>142,535</u>		
<b>TOTAL ASSETS</b>	<u><u>\$ 10,871,530</u></u>	<u><u>\$ 3,575,775</u></u>	<u><u>\$ 13,732,749</u></u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 698,453	\$ 463,997	\$ 404,962
Interfund payables			142,535
Settlements pending	<u>712,519</u>		<u>1,341,493</u>
<b>Total Liabilities</b>	<u><u>1,410,972</u></u>	<u><u>463,997</u></u>	<u><u>1,888,990</u></u>
Fund Balances:			
Nonspendable			1,277,541
Restricted	50,131	3,032,127	8,557,032
Committed			33,655
Assigned	450	79,651	1,976,708
Unassigned	<u>9,409,977</u>		<u>(1,177)</u>
<b>Total Fund Balances</b>	<u><u>9,460,558</u></u>	<u><u>3,111,778</u></u>	<u><u>11,843,759</u></u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 10,871,530</u></u>	<u><u>\$ 3,575,775</u></u>	<u><u>\$ 13,732,749</u></u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 784,000	\$ 2,381,541	\$ 763,160
Federal aid	132,076	285,563	19,302
Property taxes	1,333,660	431,403	557,630
Sales taxes	5,040,181		2,209,046
Fines, forfeitures, and costs	580,386		194,889
Interest	415,204	65,457	262,478
Officers' fees	61,520		281,212
Jail fees			276,745
911 fees			608,509
Donations			20,435
Fuel commissions			39,896
Net increase (decrease) in fair value of investments			107,871
Commissary profits			78,426
Lease rentals			175,550
School resource officer reimbursement			269,664
Dispatch reimbursement from cities			190,062
Treasurer's commission	173,441		43,726
Collector's commission	387,566		116,708
Taxes apportioned - Assessor's salary and expense	636,010		
Other	314,213	82,548	46,506
<b>TOTAL REVENUES</b>	<b>9,858,257</b>	<b>3,246,512</b>	<b>6,261,815</b>
Less: Treasurer's commission	84,925	28,560	48,853
<b>NET REVENUES</b>	<b>9,773,332</b>	<b>3,217,952</b>	<b>6,212,962</b>
EXPENDITURES			
Current:			
General government	3,260,425		658,255
Law enforcement	4,397,552		2,873,622
Highways and streets	1,052,961	3,129,820	
Public safety	258,256		1,114,277
Sanitation	6,516		
Health	109,914		
Recreation and culture	28,000		931,489
Social services	206,036		
Airport	75,068		877,819
Total Current	9,394,728	3,129,820	6,455,462
Debt Service:			
Financed purchase principal		112,899	50,207
Financed purchase interest		14,055	5,209
<b>TOTAL EXPENDITURES</b>	<b>9,394,728</b>	<b>3,256,774</b>	<b>6,510,878</b>

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 378,604</u>	<u>\$ (38,822)</u>	<u>\$ (297,916)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	64,809	25,000	1,730,506
Transfers out	(714,470)		(1,105,845)
Loan proceeds		220,000	
TOTAL OTHER FINANCING SOURCES (USES)	<u>(649,661)</u>	<u>245,000</u>	<u>624,661</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(271,057)	206,178	326,745
FUND BALANCES - JANUARY 1	<u>9,731,615</u>	<u>2,905,600</u>	<u>11,517,014</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 9,460,558</u></u>	<u><u>\$ 3,111,778</u></u>	<u><u>\$ 11,843,759</u></u>

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

BOONE COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 860,252	\$ 784,000	\$ (76,252)	\$ 2,243,890	\$ 2,381,541	\$ 137,651
Federal aid	50,000	132,076	82,076	48,046	285,563	237,517
Property taxes	1,151,282	1,333,660	182,378	235,236	431,403	196,167
Sales taxes	4,398,471	5,040,181	641,710			
Fines, forfeitures, and costs	583,768	580,386	(3,382)			
Interest	114,169	415,204	301,035	55,989	65,457	9,468
Officers' fees	86,030	61,520	(24,510)			
Treasurer's commission		173,441	173,441			
Collector's commission		387,566	387,566			
Taxes apportioned - Assessor's salary and expense	2,118	636,010	633,892	828		(828)
Other	1,238,472	314,213	(924,259)	76,682	82,548	5,866
TOTAL REVENUES	8,484,562	9,858,257	1,373,695	2,660,671	3,246,512	585,841
Less: Treasurer's commission		84,925	(84,925)		28,560	(28,560)
NET REVENUES	8,484,562	9,773,332	1,288,770	2,660,671	3,217,952	557,281
EXPENDITURES						
Current:						
General government	3,752,461	3,260,425	492,036			
Law enforcement	4,518,244	4,397,552	120,692			
Highways and streets	1,091,200	1,052,961	38,239	3,922,458	3,129,820	792,638
Public safety	289,740	258,256	31,484			
Sanitation	20,000	6,516	13,484			
Health	121,762	109,914	11,848			
Recreation and culture	28,000	28,000	0			
Social services	219,750	206,036	13,714			
Airport	1,283,793	75,068	1,208,725			
Total Current	11,324,950	9,394,728	1,930,222	3,922,458	3,129,820	792,638
Debt Service:						
Financed purchase principal				112,899	112,899	
Financed purchase interest				14,055	14,055	
TOTAL EXPENDITURES	11,324,950	9,394,728	1,930,222	4,049,412	3,256,774	792,638

BOONE COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (2,840,388)	\$ 378,604	\$ 3,218,992	\$ (1,388,741)	\$ (38,822)	\$ 1,349,919
OTHER FINANCING SOURCES (USES)						
Transfers in	274,340	64,809	(209,531)	89	25,000	24,911
Transfers out	(849,470)	(714,470)	135,000	(10,000)		10,000
Loan proceeds					220,000	220,000
TOTAL OTHER FINANCING SOURCES (USES)	(575,130)	(649,661)	(74,531)	(9,911)	245,000	254,911
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,415,518)	(271,057)	3,144,461	(1,398,652)	206,178	1,604,830
FUND BALANCES - JANUARY 1	5,078,041	9,731,615	4,653,574	2,957,373	2,905,600	(51,773)
FUND BALANCES - DECEMBER 31	\$ 1,662,523	\$ 9,460,558	\$ 7,798,035	\$ 1,558,721	\$ 3,111,778	\$ 1,553,057

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

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 1: Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County. Under accounting principles generally accepted in the United States of America (GAAP) as established by the *Government Accounting Standards Board*, the following fund of the County would have been included in the reporting entity: Hillcrest Nursing Home Board. However, under Arkansas's regulatory basis described below, inclusion of this fund is not required and this fund is not included in this report.

**B. Basis of Presentation - Regulatory**

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

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

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

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

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

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

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

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

**Capital Projects Fund** - 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. See Schedules 1 and 2 for the Capital Projects Fund as reported with other funds in the aggregate.

**Permanent Fund** - Permanent Funds are used to account for and report financial resources that are restricted to the extent that only earnings, and not principal, may be used for the purpose that support the reporting government's programs - that is, for the benefit of the government or its citizenry. See Schedules 1 and 2 for the Permanent Fund reported with other funds in the aggregate.

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

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**C. Basis of Accounting - Regulatory**

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

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

**D. Assets, Liabilities, and Fund Balances**

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand, savings, and money market accounts, certificates of deposit, and short-term investments with an original maturity of three months or less.

Investments

Investments are reported at fair value.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, and fees, trust, inmate trusts, interest, property taxes, and commissions that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Nonspendable fund balance – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
2. 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.
3. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
4. 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.

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Fund Balances (Continued)**

Fund Balance Classifications (Continued)

5. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**E. Property Taxes**

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

**F. Budget Law**

1. Legal Requirements

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

2. Accounting

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

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

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

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

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 2: Cash Deposits with Financial Institutions**

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 2,131,751	\$ 2,125,024
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the County's name	23,479,700	23,641,352
Uninsured and uncollateralized	48,059	48,059
Total Deposits	\$ 25,659,510	\$ 25,814,435

The above total deposits do not include cash on hand of \$1,625.

Custodial credit risk is the risk that in event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2024, the Violet Lawing Book Trust Fund had \$48,059 of money market accounts consisting of Invesco Government and Agency Funds, which are invested exclusively in U.S. Treasury obligations. The Treasury obligations are uninsured and uncollateralized.

**NOTE 3: Legal or Contractual Provisions for Deposits and Investments**

State law generally requires that county funds be deposited in federally insured banks located in the State of Arkansas. The county deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of not longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.

**NOTE 4: Public Fund Investments**

A summary of investments by fund types is as follows:

Fund Type	December 31, 2024 Fair Value
Permanent	\$ 1,601,065

Investments are reported at fair value. Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* establishes a hierarchy based on the valuation assumptions used to measure the fair value of the asset as follows:

- **Level I** – quoted prices in active markets for identical assets.
- **Level II** – significant other observable assumptions (e.g., quoted prices for similar instruments in active or inactive markets, etc.)
- **Level III** – significant unobservable assumptions (i.e., prices or valuations using unobservable techniques supported by little or no market activity)

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 4: Public Fund Investments (Continued)**

For investments that do not have a readily determinable fair value and fall outside of the fair value hierarchy, investments are valued by utilizing the Net Asset Value (NAV) or its equivalent as a practical expedient.

The County's investments are composed of the following:

<u>Investment Type</u>	<u>December 31, 2024</u>
<b>Investments by fair value level</b>	
Exchange traded funds (Level I)	\$ 841,782
US Treasury Bonds (Level II)	<u>59,415</u>
Total investments measured at fair value	<u>901,197</u>
<b>Investments measured at net asset Value (NAV)</b>	
ABG Bond Common Trust Fund	373,593
ABG Government Bond Common Trust Fund	<u>326,275</u>
Total investments measured at NAV	<u>699,868</u>
 Total	 <u>\$ 1,601,065</u>

The fair value of federated treasury obligations, money market obligations and the cash management fund is measured on a recurring basis and is based on quoted marked prices obtained from independent pricing sources. U.S. Government, mortgage-backed and corporate bonds are valued at fair value using quoted market prices from third parties that use, as their basis readily observable market inputs, such as yields or similar instruments with comparable inputs. As a result, these were classified as Level II inputs.

The valuation method for investments at the net asset value (NAV) per share (or its equivalent) is presented on the following table:

<b>Investments measured at NAV</b>	Unfunded			
	<u>Fair Value</u>	<u>Commitments</u>	<u>Frequency</u>	<u>Notice</u>
ABG Bond Common Trust Fund	\$ 373,593	-	daily	one-day
ABG Government Bond Common Trust Fund	<u>326,275</u>	-	daily	one-day
Total	<u>\$ 699,868</u>			

Common Trust Funds are comprised of shares or units in commingled funds that are not publicly traded. The price per share of the Common Trust Funds is based upon the County's proportionate share of the total underlying assets in each fund, less any liabilities for that fund. The NAV of the Common Trust Funds is calculated at the end of the day by the investment manager.

ABG Bond Common Trust Fund - This Fund invests primarily in debt obligations of the U.S. Government, U.S. Government Agencies, Mortgage Backed Securities, and corporate bonds which are considered to be investment grade quality by at least one major bond rating service.

ABG Government Bond Common Trust Fund - This fund invests primarily in debt obligations of the U.S. Government and U.S. Government Agencies. These include, but are not limited to, securities of the U.S. Treasury or securities of any Federal Agencies (including Mortgage Backed Securities, Collateralized Mortgage Obligations, and Real Estate Mortgage Investments Conduits).

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 4: Public Fund Investments (Continued)**

Other required disclosures for investments:

**Interest rate risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments can be highly sensitive to changes in interest rates due to their terms and characteristics. The County has not adopted a formal investment policy that addresses interest rate risk. The ABG Bond Common Trust Fund and the ABG Government Bond Common Trust Fund have an average investment maturity of 8.43 years to 5.80 years, respectively. The U.S Treasury Bond has an investment maturity of 10 years.

**Credit risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's exposure to credit risk as of December 31, 2024, is as follows:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	BBB
ABG Bond Common Trust Fund	\$ 373,593	\$ 25,479	\$ 278,588	\$ 32,615	\$ 36,911
ABG Government Common Trust Fund	326,275	12,855	313,420		
Totals	\$ 699,868	\$ 38,334	\$ 592,008	\$ 32,615	\$ 36,911

**NOTE 5: Accounts Receivable**

The accounts receivable balance at December 31, 2024, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid			\$ 14,215
Federal aid	\$ 29,103	\$ 281,731	
Property taxes		11,138	14,217
Sales taxes	670		
Fines, forfeitures, and costs	10,166		161
Officers' fees	4,620		20,835
Jail fees			6,961
911 fees			9,155
Treasurer's commission	173,441		
Other			35,114
Treasurer's commission charged	86,004	28,945	48,843
Totals	\$ 304,004	\$ 321,814	\$ 149,501

**NOTE 6: Accounts Payable**

The accounts payable balance at December 31, 2024, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 461,659	\$ 392,135	\$ 250,854
Salaries payable	213,357	64,763	138,184
Payroll taxes payable	23,437	7,099	15,924
Totals	\$ 698,453	\$ 463,997	\$ 404,962

BOONE COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
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**NOTE 7: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2024	
	Interfund Receivables	Interfund Payables
General Fund	\$ 142,535	
Other Funds in the Aggregate:		
Special Revenue Funds:		
Emergency 911		\$ 48,535
Boone County Airport		94,000
	<u>\$ 142,535</u>	<u>\$ 142,535</u>

Interfund receivables and payables consist of errors in transferring of funds and interfund loans. These balances are expected to be repaid in 2025 and 2026.

**NOTE 8: Federal Funds Program Compliance**

The federal grants of the County for the years ending December 31, 2024 and 2022, have not yet been audited in accordance with the federal program requirements and therefore, any instances of noncompliance with federal grant requirements have not been determined. Disbursements that are not in accordance with these requirements are subject to reimbursement by the County. The County has engaged with a firm to receive a compliance audit in accordance with the federal program requirements for the 2022 federal grants. As of report date, the County has corresponded with a firm but not contracted for an audit for the 2024 federal grants.

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 9: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2024, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Nonspendable:			
Recreation and culture			\$ 1,277,541
Restricted for:			
General government	\$ 50,131		1,674,974
Law enforcement			3,895,382
Highways and streets		\$ 3,032,127	
Public safety			72,048
Recreation and culture			1,703,314
Airport			330,144
Capital outlay			881,170
Total Restricted	<u>50,131</u>	<u>3,032,127</u>	<u>8,557,032</u>
Committed for:			
Law enforcement			<u>33,655</u>
Assigned to:			
General government			5,945
Law enforcement	450		44,924
Highways and streets		79,651	
Public safety			93,111
Recreation and culture			18,570
Capital outlay			1,814,158
Total Assigned	<u>450</u>	<u>79,651</u>	<u>1,976,708</u>
Unassigned	<u>9,409,977</u>		<u>(1,177)</u>
Totals	<u>\$ 9,460,558</u>	<u>\$ 3,111,778</u>	<u>\$ 11,843,759</u>

**NOTE 10: Deficit Fund Balances**

The following funds have deficit fund balances as of December 31, 2024:

	December 31, 2024
Other Funds in the Aggregate:	
Special Revenue Funds:	
District Court Automation	<u>\$ (1,177)</u>

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 11: Legal Debt Limit**

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2024, the legal debt limit for bonded debt was \$63,571,933. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2024, the legal debt limit for short-term financing obligations was \$16,937,795. The amount of short-term financing obligations was \$787,043 leaving a legal debt margin of \$16,150,752.

**NOTE 12: Commitments**

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

	December 31, 2024
Long-term liabilities	\$ 944,069
Reappraisal contract	101,544
Construction contracts	445,272
Total Commitments	\$ 1,490,885

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

Long-term Liabilities

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

	December 31, 2024
 <u>Direct Borrowings</u>	
Financed purchase dated June 12, 2020, with Anstaff Bank in the amount of \$889,800 with interest rate of 2.95% for the purchase of four (4) road graders. Monthly payments of \$10,580 for 59 months, and one final payment of \$360,000. Payments are to be made from the Road Fund.	\$ 407,184
Financed purchase agreement with AT&T Capital in the amount of \$261,375 with interest rate of 2.32% for the purchase of VESTA 911 System. The commencement date was May 1, 2023, with a maturity date of May 1, 2027. Principal and interest on the agreement are to be paid in annual installments of \$55,416 for five years. Payments are to be made from the 911 Fund.	159,859
Financed purchase dated June 6, 2024, with AnStaff Bank in amount of \$220,000 with interest rate of 4.99% for the purchase of grapple truck. Five annual payments of \$50,900. Payments are to be made from the Road Fund.	220,000
Total Direct Borrowings	787,043
Compensated absences consisting of accrued vacation adjusted to current salary cost	157,026
Total Long-term liabilities	\$ 944,069

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

The County's outstanding direct borrowings of \$787,043 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Compensated Absences

Compensated absences do vest or accumulate.

Post Employment Benefits Other Than Pensions

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

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2024	Maturities to December 31, 2024
<u>Direct Borrowings</u>					
6/12/20	6/12/25	2.95%	\$ 889,800	\$ 407,184	\$ 482,616
5/1/23	5/1/27	2.32%	261,375	159,859	101,516
6/6/24	6/6/29	4.99%	220,000	220,000	
Total Long-Term Debt			<u>\$ 1,371,175</u>	<u>\$ 787,043</u>	<u>\$ 584,132</u>

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
<u>Direct Borrowings</u>				
Financed purchases	\$ 730,149	\$ 220,000	\$ 163,106	\$ 787,043

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2025	\$ 498,670	\$ 20,545	\$ 519,215
2026	95,053	11,263	106,316
2027	98,767	7,549	106,316
2028	46,104	4,797	50,901
2029	48,449	2,451	50,900
Totals	<u>\$ 787,043</u>	<u>\$ 46,605</u>	<u>\$ 833,648</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on November 8, 2021, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$4,231 for a total of \$253,680, beginning January 15, 2022. Contract expense for 2024 was \$50,772.

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

Year	December 31, 2024
2025	\$ 50,772
2026	50,772
Total	<u>\$ 101,544</u>

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

Construction Contracts

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

<u>Project Name</u>	<u>Completion or Estimated Completion Date</u>	<u>Contract Balance December 31, 2024</u>
Airport Hanger Project	April 2026	\$ 167,500
Terminal Design Project	August 2025	<u>277,772</u>
Total Construction Contracts		<u>\$ 445,272</u>

**NOTE 13: Interfund Transfers**

The General Fund transferred \$25,000 to Road Fund for a prior year expenditure and transferred \$316,581 and \$372,889 to the Other Funds in the Aggregate for operations and capital projects, respectively. Additionally, the Other Funds in the Aggregate transferred the following to the General Fund: \$20,000 (County Recorder's Cost) as provided for in Ark. Code Ann. § 21-6-306, \$12,075 for prior year expenditures, and \$32,734 for a previously assigned balance. Within the Other Funds in the Aggregate, \$11,250 was transferred for prior year expenditures and \$1,029,786 for future capital projects.

**NOTE 14: Subsequent Events**

On January 28, 2025, the County entered into a contract with Nabholz Construction for the Boone County Courthouse Project in the amount of \$6,500,000.

On May 28, 2025, the Airport entered into a contract with Integrity Contracting, Inc. for a T-Hanger Project in the amount of \$1,445,688.

On September 16, 2025, the Airport entered into a contract with L. E. Davis Construction, Inc. for a new Terminal and Hi-Lite Airfield Services LLC. for Runway Rehabilitation in the amount of \$6,865,184 and \$826,365, respectively.

On October 15, 2025, the County financed the purchase of four graders with Anstaff Bank for \$1,032,848 with an interest rate of 4.65%.

**NOTE 15: Jointly Governed Organizations**

**Ozark Mountain Solid Waste District**

The County is a member of the Ozark Mountain Solid Waste District (District). The District is a jointly governed organization comprised of representatives from Baxter, Boone, Marion, Newton, and Searcy 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. No payments were made by the County in 2024 to Ozark Mountain Solid Waste District.

**Fourteenth Judicial District Drug Task Force**

The Prosecuting Attorney of the Fourteenth Judicial District, the Sheriffs' Departments of Baxter, Boone, Marion, and Newton Counties and the Police Departments of Harrison and Mountain Home entered into an agreement to establish the Fourteenth Judicial District Drug Task Force. Funding was provided through a Drug Law Enforcement program grant applied by the Prosecuting Attorney of the Fourteenth Judicial District. Financial statements of the Fourteenth Judicial District Drug Task Force are not available.

BOONE COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 16: Risk Management**

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

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

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

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

Vehicle Program

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

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

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

**NOTE 17: Arkansas Public Employees Retirement System**

Plan Description

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

BOONE COUNTY, ARKANSAS  
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**NOTE 17: Arkansas Public Employees Retirement System (Continued)**

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.75% as of July 1, 2024. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2024, (date of APERS Employer Allocation Report) were \$1,184,278.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2024, (actuarial valuation date and measurement date) was \$8,466,721.

**NOTE 18: Permanent Fund – Violet Lawing Book Trust**

On August 17 2006, the estate of Violet M. Lawing was bequeathed to the Boone County Library Administrative Board. The estate provided that the funds and property be used to establish a restricted endowment for the Boone County Library and that the Boone County Library Administrative Board shall invest the restricted endowment in accordance with Ark. Code Ann. §§ 28-71-101 – 28-71-107. The principal shall be retained in perpetuity in the name of the Violet M. Lawing Trust and the income there from shall be paid to the Boone County Library for the sole purpose of the purchase of books. At December 31, 2024, the non-spendable balance was \$1,277,541.

**NOTE 19: Hospital Lease**

Effective March 1, 1997, the County entered into an assignment and lease agreement with the North Arkansas Regional Medical Center (the Center), a nonprofit hospital corporation organized under the law of the State of Arkansas. Under the terms of the agreement, the Center agreed to lease the hospital land, building, and improvements for a period of five years beginning March 1, 1997. The agreement provides that the lease shall be automatically renewed at the end of the original lease term for 12-month periods, unless either party provides written notice to the other party of its intention to cancel the lease. On November 1, 2010, the County amended the assignment and lease agreement dated March 1, 1997. Under the terms of the amendment, the Center agrees to lease the hospital's facilities for a term to expire on December 31, 2041.

**NOTE 20: Hospice of the Hills Lease**

Effective October 3, 2005, the County entered into a lease agreement with Hospice of the Hills, Inc., a nonprofit corporation organized under the laws of the State of Arkansas. Under the terms of the agreement, Hospice of the Hills agreed to lease land from the County at a sum of \$100 for a term of 99 years, ending on October 3, 2104. The agreement provides that Hospice of the Hills can, at its sole expense, construct one or more houses upon the leased premises approved by the County. All permanent improvements shall revert back to the County upon termination of the lease.

BOONE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library
ASSETS								
Cash and cash equivalents	\$ 338,739	\$ 693,583	\$ 93,684	\$ 1,339	\$ 61,530	\$ 33,182	\$ 605,990	\$ 886,604
Investments								
Accounts receivable	11,036		100			848	19,987	21,267
<b>TOTAL ASSETS</b>	<b><u>\$ 349,775</u></b>	<b><u>\$ 693,583</u></b>	<b><u>\$ 93,784</u></b>	<b><u>\$ 1,339</u></b>	<b><u>\$ 61,530</u></b>	<b><u>\$ 34,030</u></b>	<b><u>\$ 625,977</u></b>	<b><u>\$ 907,871</u></b>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 396	\$ 13,439	\$ 184	\$ 2,516			\$ 122,053	\$ 29,482
Interfund payables								
Settlements pending								
<b>Total Liabilities</b>	<b><u>396</u></b>	<b><u>13,439</u></b>	<b><u>184</u></b>	<b><u>2,516</u></b>			<b><u>122,053</u></b>	<b><u>29,482</u></b>
Fund Balances:								
Nonspendable								
Restricted	349,379	680,144	93,600		\$ 61,530	\$ 34,030	497,979	859,819
Committed								
Assigned							5,945	18,570
Unassigned				(1,177)				
<b>Total Fund Balances</b>	<b><u>349,379</u></b>	<b><u>680,144</u></b>	<b><u>93,600</u></b>	<b><u>(1,177)</u></b>	<b><u>61,530</u></b>	<b><u>34,030</u></b>	<b><u>503,924</u></b>	<b><u>878,389</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 349,775</u></b>	<b><u>\$ 693,583</u></b>	<b><u>\$ 93,784</u></b>	<b><u>\$ 1,339</u></b>	<b><u>\$ 61,530</u></b>	<b><u>\$ 34,030</u></b>	<b><u>\$ 625,977</u></b>	<b><u>\$ 907,871</u></b>

BOONE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS							
	Child Support Cost	Jail Maintenance	Boating Safety and Enforcement	Emergency 911	Public Defender	Victim/Witness	Drug Court Program	Juvenile Probation
ASSETS								
Cash and cash equivalents	\$ 2,468	\$ 67,661	\$ 43,335	\$ 224,784	\$ 36,645	\$ 35,939	\$ 17,491	\$ 12,915
Investments								
Accounts receivable		566		50,495				180
<b>TOTAL ASSETS</b>	<b>\$ 2,468</b>	<b>\$ 68,227</b>	<b>\$ 43,335</b>	<b>\$ 275,279</b>	<b>\$ 36,645</b>	<b>\$ 35,939</b>	<b>\$ 17,491</b>	<b>\$ 13,095</b>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 23,120		\$ 61,585	\$ 4,303	\$ 5,498		
Interfund payables				48,535				
Settlements pending								
<b>Total Liabilities</b>		<b>23,120</b>		<b>110,120</b>	<b>4,303</b>	<b>5,498</b>		
Fund Balances:								
Nonspendable								
Restricted	\$ 2,468	44,954	\$ 43,335	72,048	32,342	28,826	\$ 17,491	\$ 13,095
Committed								
Assigned		153		93,111		1,615		
Unassigned								
<b>Total Fund Balances</b>	<b>2,468</b>	<b>45,107</b>	<b>43,335</b>	<b>165,159</b>	<b>32,342</b>	<b>30,441</b>	<b>17,491</b>	<b>13,095</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,468</b>	<b>\$ 68,227</b>	<b>\$ 43,335</b>	<b>\$ 275,279</b>	<b>\$ 36,645</b>	<b>\$ 35,939</b>	<b>\$ 17,491</b>	<b>\$ 13,095</b>

BOONE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS							
	Cops in Schools	Criminal Justice	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Jail Sales Tax and Operations	Arkansas Disaster Relief Grant	Supplemental Juvenile Funding	Hill Top Grant
ASSETS								
Cash and cash equivalents	\$ 46,132	\$ 17,405	\$ 18,283	\$ 6,356	\$ 3,701,579	\$ 10,000	\$ 9,120	\$ 14,805
Investments								
Accounts receivable					30,807			
<b>TOTAL ASSETS</b>	<b><u>\$ 46,132</u></b>	<b><u>\$ 17,405</u></b>	<b><u>\$ 18,283</u></b>	<b><u>\$ 6,356</u></b>	<b><u>\$ 3,732,386</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ 9,120</u></b>	<b><u>\$ 14,805</u></b>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 12,477	\$ 2,594			\$ 123,525		\$ 251	
Interfund payables								
Settlements pending								
<b>Total Liabilities</b>	<b><u>12,477</u></b>	<b><u>2,594</u></b>			<b><u>123,525</u></b>		<b><u>251</u></b>	
Fund Balances:								
Nonspendable								
Restricted		14,605	\$ 18,283	\$ 6,356	3,565,911	\$ 10,000	8,869	\$ 14,805
Committed	33,655							
Assigned		206			42,950			
Unassigned								
<b>Total Fund Balances</b>	<b><u>33,655</u></b>	<b><u>14,811</u></b>	<b><u>18,283</u></b>	<b><u>6,356</u></b>	<b><u>3,608,861</u></b>	<b><u>10,000</u></b>	<b><u>8,869</u></b>	<b><u>14,805</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 46,132</u></b>	<b><u>\$ 17,405</u></b>	<b><u>\$ 18,283</u></b>	<b><u>\$ 6,356</u></b>	<b><u>\$ 3,732,386</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ 9,120</u></b>	<b><u>\$ 14,805</u></b>

BOONE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUND	PERMANENT FUND
	County Library Board	Boone County Airport	Communication Facility and Equipment	New Courthouse	Violet Lawing Book Trust
<b>ASSETS</b>					
Cash and cash equivalents	\$ 438,562	\$ 412,340	\$ 32,354	\$ 2,696,456	\$ 81,409
Investments					1,601,065
Accounts receivable		14,215			
<b>TOTAL ASSETS</b>	<b>\$ 438,562</b>	<b>\$ 426,555</b>	<b>\$ 32,354</b>	<b>\$ 2,696,456</b>	<b>\$ 1,682,474</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable		\$ 2,411		\$ 1,128	
Interfund payables		94,000			
Settlements pending					
<b>Total Liabilities</b>		<b>96,411</b>		<b>1,128</b>	
<b>Fund Balances:</b>					
Nonspendable					\$ 1,277,541
Restricted	\$ 438,562	330,144	\$ 32,354	881,170	404,933
Committed					
Assigned				1,814,158	
Unassigned					
<b>Total Fund Balances</b>	<b>438,562</b>	<b>330,144</b>	<b>32,354</b>	<b>2,695,328</b>	<b>1,682,474</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 438,562</b>	<b>\$ 426,555</b>	<b>\$ 32,354</b>	<b>\$ 2,696,456</b>	<b>\$ 1,682,474</b>

BOONE COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
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Schedule 1

CUSTODIAL FUNDS							
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Juvenile Probation	Totals
<b>ASSETS</b>							
Cash and cash equivalents	\$ 190,616	\$ 157,051	\$ 251,203	\$ 76,591	\$ 665,672	\$ 360	\$ 11,982,183
Investments							1,601,065
Accounts receivable							149,501
<b>TOTAL ASSETS</b>	<b>\$ 190,616</b>	<b>\$ 157,051</b>	<b>\$ 251,203</b>	<b>\$ 76,591</b>	<b>\$ 665,672</b>	<b>\$ 360</b>	<b>\$ 13,732,749</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable							\$ 404,962
Interfund payables							142,535
Settlements pending	\$ 190,616	\$ 157,051	\$ 251,203	\$ 76,591	\$ 665,672	\$ 360	1,341,493
<b>Total Liabilities</b>	<b>190,616</b>	<b>157,051</b>	<b>251,203</b>	<b>76,591</b>	<b>665,672</b>	<b>360</b>	<b>1,888,990</b>
<b>Fund Balances:</b>							
Nonspendable							1,277,541
Restricted							8,557,032
Committed							33,655
Assigned							1,976,708
Unassigned							(1,177)
<b>Total Fund Balances</b>							<b>11,843,759</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 190,616</b>	<b>\$ 157,051</b>	<b>\$ 251,203</b>	<b>\$ 76,591</b>	<b>\$ 665,672</b>	<b>\$ 360</b>	<b>\$ 13,732,749</b>

BOONE COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2024

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library
REVENUES								
State aid					\$ 14,087			\$ 159,172
Federal aid								
Property taxes								555,376
Sales taxes								
Fines, forfeitures, and costs			\$ 3,830	\$ 14,816				
Interest	\$ 6,646	\$ 12,225	1,894	53	1,283	\$ 756	\$ 9,938	18,009
Officers' fees						16,298	257,258	
Jail fees								
911 fees								
Donations								
Fuel commissions								
Net increase (decrease) in fair value of investments								
Commissary profits								
Lease rentals								
School resource officer reimbursement								
Dispatch reimbursement from cities								
Treasurer's commission	43,726							
Collector's commission		116,708						
Other	1,595	1,281	100	174	159	175	3,451	1,003
<b>TOTAL REVENUES</b>	<b>51,967</b>	<b>130,214</b>	<b>5,824</b>	<b>15,043</b>	<b>15,529</b>	<b>17,229</b>	<b>270,647</b>	<b>733,560</b>
Less: Treasurer's commission		2,334	79	320	282	334	5,096	6,956
<b>NET REVENUES</b>	<b>51,967</b>	<b>127,880</b>	<b>5,745</b>	<b>14,723</b>	<b>15,247</b>	<b>16,895</b>	<b>265,551</b>	<b>726,604</b>
EXPENDITURES								
Current:								
General government	12,813	56,542			3,900	23,742	212,087	
Law enforcement			2,317	16,754				
Public safety								
Recreation and culture								699,138
Airport								
<b>Total Current</b>	<b>12,813</b>	<b>56,542</b>	<b>2,317</b>	<b>16,754</b>	<b>3,900</b>	<b>23,742</b>	<b>212,087</b>	<b>699,138</b>
Debt Service:								
Financed purchase principal								
Financed purchase interest								
<b>TOTAL EXPENDITURES</b>	<b>12,813</b>	<b>56,542</b>	<b>2,317</b>	<b>16,754</b>	<b>3,900</b>	<b>23,742</b>	<b>212,087</b>	<b>699,138</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>39,154</b>	<b>71,338</b>	<b>3,428</b>	<b>(2,031)</b>	<b>11,347</b>	<b>(6,847)</b>	<b>53,464</b>	<b>27,466</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out							(20,000)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>							<b>(20,000)</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>39,154</b>	<b>71,338</b>	<b>3,428</b>	<b>(2,031)</b>	<b>11,347</b>	<b>(6,847)</b>	<b>33,464</b>	<b>27,466</b>
FUND BALANCES - JANUARY 1	310,225	608,806	90,172	854	50,183	40,877	470,460	850,923
FUND BALANCES - DECEMBER 31	<b>\$ 349,379</b>	<b>\$ 680,144</b>	<b>\$ 93,600</b>	<b>\$ (1,177)</b>	<b>\$ 61,530</b>	<b>\$ 34,030</b>	<b>\$ 503,924</b>	<b>\$ 878,389</b>

BOONE COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2024

Schedule 2

	SPECIAL REVENUE FUNDS							
	Child Support Cost	Jail Maintenance	Boating Safety and Enforcement	Emergency 911	Public Defender	Victim/Witness	Drug Court Program	Juvenile Probation
REVENUES								
State aid			\$ 3,886		\$ 1,539			
Federal aid								
Property taxes								
Sales taxes								
Fines, forfeitures, and costs		\$ 111,170			11,092	\$ 46,325		
Interest	\$ 50	1,482	957	\$ 7,677	1,124	1,339	\$ 360	\$ 262
Officers' fees	576							1,475
Jail fees		17,033						
911 fees				608,509				
Donations								
Fuel commissions								
Net increase (decrease) in fair value of investments								
Commissary profits								
Lease rentals								
School resource officer reimbursement								
Dispatch reimbursement from cities				190,062				
Treasurer's commission								
Collector's commission								
Other	4	1,286	49	6	646	381		28
<b>TOTAL REVENUES</b>	<b>630</b>	<b>130,971</b>	<b>4,892</b>	<b>806,254</b>	<b>14,401</b>	<b>48,045</b>	<b>360</b>	<b>1,765</b>
Less: Treasurer's commission	12	2,746	78	6,143	13	136		30
<b>NET REVENUES</b>	<b>618</b>	<b>128,225</b>	<b>4,814</b>	<b>800,111</b>	<b>14,388</b>	<b>47,909</b>	<b>360</b>	<b>1,735</b>
EXPENDITURES								
Current:								
General government								
Law enforcement		130,732	6,740		61,687	107,771	275	867
Public safety				1,114,277				
Recreation and culture								
Airport								
Total Current		130,732	6,740	1,114,277	61,687	107,771	275	867
Debt Service:								
Financed purchase principal				50,207				
Financed purchase interest				5,209				
<b>TOTAL EXPENDITURES</b>		<b>130,732</b>	<b>6,740</b>	<b>1,169,693</b>	<b>61,687</b>	<b>107,771</b>	<b>275</b>	<b>867</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>618</b>	<b>(2,507)</b>	<b>(1,926)</b>	<b>(369,582)</b>	<b>(47,299)</b>	<b>(59,862)</b>	<b>85</b>	<b>868</b>
OTHER FINANCING SOURCES (USES)								
Transfers in				228,708	67,976	21,197		
Transfers out		(23,325)						
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>(23,325)</b>		<b>228,708</b>	<b>67,976</b>	<b>21,197</b>		
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>618</b>	<b>(25,832)</b>	<b>(1,926)</b>	<b>(140,874)</b>	<b>20,677</b>	<b>(38,665)</b>	<b>85</b>	<b>868</b>
FUND BALANCES - JANUARY 1	1,850	70,939	45,261	306,033	11,665	69,106	17,406	12,227
FUND BALANCES - DECEMBER 31	<u>\$ 2,468</u>	<u>\$ 45,107</u>	<u>\$ 43,335</u>	<u>\$ 165,159</u>	<u>\$ 32,342</u>	<u>\$ 30,441</u>	<u>\$ 17,491</u>	<u>\$ 13,095</u>

BOONE COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2024

Schedule 2

	SPECIAL REVENUE FUNDS							
	Cops in Schools	Criminal Justice	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Jail Sales Tax and Operations	Arkansas Disaster Relief Grant	Supplemental Juvenile Funding
REVENUES								
State aid							\$ 10,000	
Federal aid								
Property taxes				\$ 2,254				
Sales taxes				119		\$ 2,180,778		
Fines, forfeitures, and costs		\$ 7,656						
Interest	\$ 756	366	\$ 367		\$ 138	71,536		
Officers' fees			831					
Jail fees						259,712		
911 fees								
Donations								
Fuel commissions								
Net increase (decrease) in fair value of investments								
Commissary profits								
Lease rentals								
School resource officer reimbursement	269,664							
Dispatch reimbursement from cities								
Treasurer's commission								
Collector's commission								
Other	87	77	3	8		973		
<b>TOTAL REVENUES</b>	<b>270,507</b>	<b>8,099</b>	<b>1,201</b>	<b>2,381</b>	<b>138</b>	<b>2,512,999</b>	<b>10,000</b>	
Less: Treasurer's commission		28	17	45		24,204		
<b>NET REVENUES</b>	<b>270,507</b>	<b>8,071</b>	<b>1,184</b>	<b>2,336</b>	<b>138</b>	<b>2,488,795</b>	<b>10,000</b>	
EXPENDITURES								
Current:								
General government					200,555			
Law enforcement	248,301	10,121				2,183,715		\$ 5,772
Public safety								
Recreation and culture								
Airport								
<b>Total Current</b>	<b>248,301</b>	<b>10,121</b>			<b>200,555</b>	<b>2,183,715</b>		<b>5,772</b>
Debt Service:								
Financed purchase principal								
Financed purchase interest								
<b>TOTAL EXPENDITURES</b>	<b>248,301</b>	<b>10,121</b>			<b>200,555</b>	<b>2,183,715</b>		<b>5,772</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>22,206</b>	<b>(2,050)</b>	<b>1,184</b>	<b>2,336</b>	<b>(200,417)</b>	<b>305,080</b>	<b>10,000</b>	<b>(5,772)</b>
OTHER FINANCING SOURCES (USES)								
Transfers in	3,050					6,900		
Transfers out					(1,029,786)			
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>3,050</b>				<b>(1,029,786)</b>	<b>6,900</b>		
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>25,256</b>	<b>(2,050)</b>	<b>1,184</b>	<b>2,336</b>	<b>(1,230,203)</b>	<b>311,980</b>	<b>10,000</b>	<b>(5,772)</b>
FUND BALANCES - JANUARY 1	8,399	16,861	17,099	4,020	1,230,203	3,296,881		14,641
FUND BALANCES - DECEMBER 31	<b>\$ 33,655</b>	<b>\$ 14,811</b>	<b>\$ 18,283</b>	<b>\$ 6,356</b>	<b>\$ 0</b>	<b>\$ 3,608,861</b>	<b>\$ 10,000</b>	<b>\$ 8,869</b>

BOONE COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2024

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECT FUND	PERMANENT FUND	Totals
	Boone County Governmental and Judicial Center (ARPA)	Hill Top Grant	County Library Board	Boone County Airport	Communication Facility and Equipment	New Courthouse	Violet Lawing Book Trust	
REVENUES								
State aid		\$ 14,805		\$ 559,671				\$ 763,160
Federal aid				19,302				19,302
Property taxes								557,630
Sales taxes				28,149				2,209,046
Fines, forfeitures, and costs								194,889
Interest	\$ 12		\$ 23,023	7,293	\$ 20	\$ 51,863	\$ 43,049	262,478
Officers' fees					4,774			281,212
Jail fees								276,745
911 fees								608,509
Donations			20,435					20,435
Fuel commissions				39,896				39,896
Net increase (decrease) in fair value of investments							107,871	107,871
Commissary profits					78,426			78,426
Lease rentals				175,550				175,550
School resource officer reimbursement								269,664
Dispatch reimbursement from cities								190,062
Treasurer's commission								43,726
Collector's commission								116,708
Other								46,506
TOTAL REVENUES	12	14,805	73,544	830,910	87,105	51,863	150,920	6,261,815
Less: Treasurer's commission								48,853
NET REVENUES	12	14,805	73,544	830,910	87,105	51,863	150,920	6,212,962
EXPENDITURES								
Current:								
General government						148,616		658,255
Law enforcement					98,570			2,873,622
Public safety								1,114,277
Recreation and culture			192,628				39,723	931,489
Airport				877,819				877,819
Total Current			192,628	877,819	98,570	148,616	39,723	6,455,462
Debt Service:								
Financed purchase principal								50,207
Financed purchase interest								5,209
TOTAL EXPENDITURES			192,628	877,819	98,570	148,616	39,723	6,510,878
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	12	14,805	(119,084)	(46,909)	(11,465)	(96,753)	111,197	(297,916)
OTHER FINANCING SOURCES (USES)								
Transfers in						1,402,675		1,730,506
Transfers out	(32,734)							(1,105,845)
TOTAL OTHER FINANCING SOURCES (USES)	(32,734)					1,402,675		624,661
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(32,722)	14,805	(119,084)	(46,909)	(11,465)	1,305,922	111,197	326,745
FUND BALANCES - JANUARY 1	32,722		557,646	377,053	43,819	1,389,406	1,571,277	11,517,014
FUND BALANCES - DECEMBER 31	\$ 0	\$ 14,805	\$ 438,562	\$ 330,144	\$ 32,354	\$ 2,695,328	\$ 1,682,474	\$ 11,843,759

BOONE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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 Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.

BOONE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for defense of indigents.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Drug Court Program	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Juvenile Probation	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Cops in Schools	Boone County Ordinance no. 2001-15 (May 14, 2001) established fund to account for funds received from COPS in Schools federal grants and reimbursements from participating school districts.
Criminal Justice	Boone County Ordinance no. 1987-25 (October 12, 1987) established fund to receive court costs to be used for operations of the criminal justice system.
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.
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.
Jail Sales Tax and Operations	Boone County Ordinance no. 2006-23 (August 8, 2006) established fund to account for sales taxes collected for the construction, improvement, expansion, and operation of the new criminal justice facility and also for criminal justice purposes. In addition, Boone County Ordinance no. 2019-33 (September 10, 2019) authorized reimbursements received from the state for Jail Keep and Act 309 revenue to be deposited to the Jail Operations Fund.

BOONE COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
Arkansas Disaster Relief Grant	Boone County Ordinance no. 2024-27 (August 13, 2024) established fund to account for grant funds received from Arkansas Department of Emergency Management to provide assistance to qualified applicants affected by the tornado disaster of May 2024.
Supplemental Juvenile Funding	Boone County Ordinance no. 2023-22 (August 8, 2023) established fund to account for grant funds received from the Arkansas Administrative Office of the Courts to be used for programs and services for juveniles in the Boone County area.
Boone County Governmental and Judicial Center (ARPA)	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. In addition, Boone County Ordinance no. 2022-43 (October 11, 2022) established fund to account for normal operation cost (non-construction) for the Boone County Governmental and Judicial Center.
Hill Top Grant	Boone County Ordinance no. 2024-38 (December 10, 2024) established fund to account for grant funds received from Arkansas Economic Development Commission, Division of Rural Services for the Hill Top Volunteer Fire Department.
County Library Board	Boone County Ordinance no. 1978-8 (May 8, 1978) established the Library Board to oversee the operations of the Boone County Library. Also, Ark. Code Ann. § 13-2-401 authorizes a county quorum court to establish a county library board to conduct the affairs of the county public library.
Boone County Airport	Ark. Code Ann. § 14-357-107 stipulates that all revenue derived from the operation of the airport, after paying the operating expenses and maintenance, may be set aside, and used for additional improvements on the airport or for any lawful purpose. Boone County Ordinance no. 1978-6 (May 8, 1978) established the Airport Commission to oversee the operations of the Boone County Airport.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.

BOONE COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
New Courthouse	Boone County Ordinance no. 2022-14 (March 17, 2022) established fund to account for the revenues, expenditures, and appropriated transfers for the purchase and renovation cost for the new Boone County Governmental and Judicial Center.
Violet Lawing Book Trust	Established from the will and testament of Violet Lawing for the purpose of purchasing library books from the earnings of the trust. The corpus shall be maintained in perpetuity.

Treasurer's accounts consist primarily of County Law Library funds, treasurer's commission, and property taxes not distributed to the appropriate agencies.

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

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

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

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

Juvenile Probation account consist of probation fees not yet distributed to the county.

BOONE COUNTY, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2024  
(Unaudited)

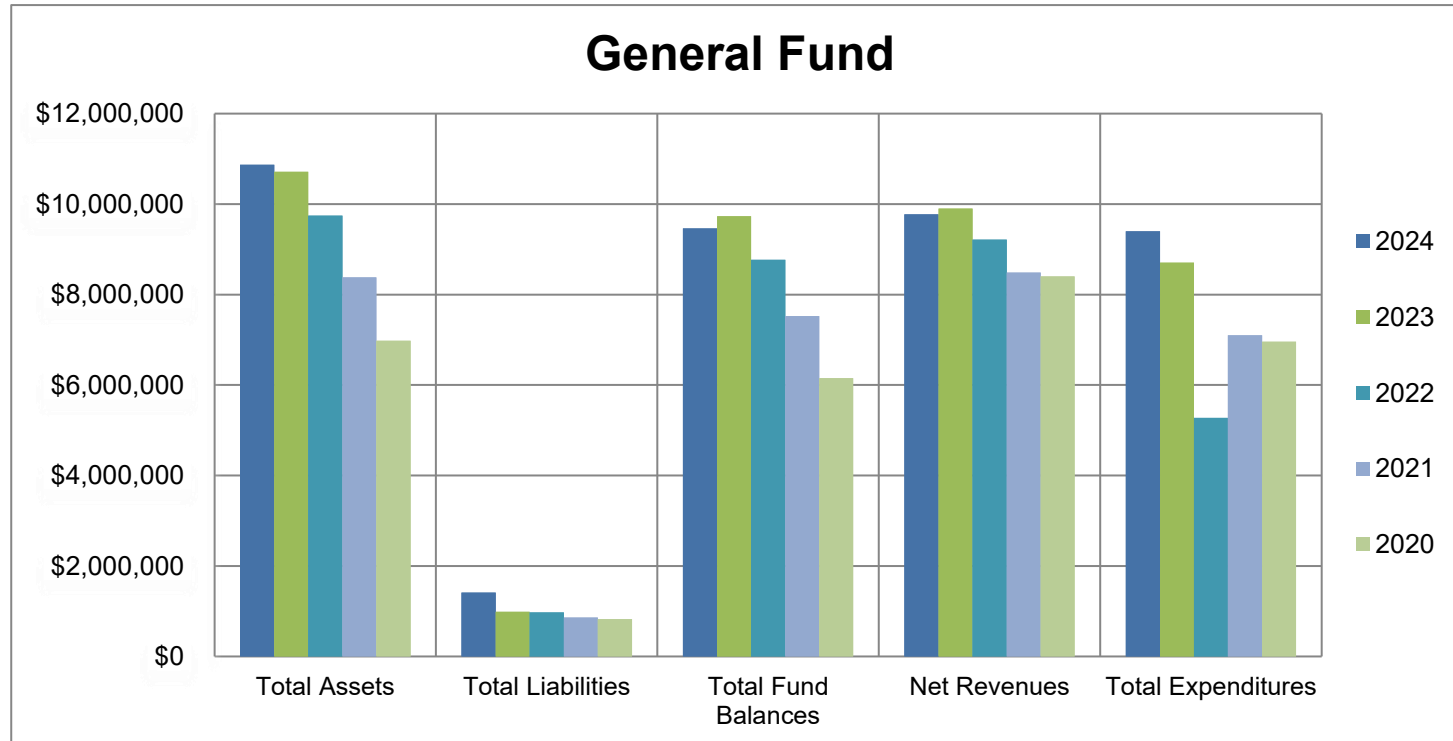
Schedule 3

	<u>December 31, 2024</u>
Land	\$ 657,170
Buildings	26,259,219
Equipment	<u>10,888,638</u>
Total	<u><u>\$ 37,805,027</u></u>

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

Schedule 4-1

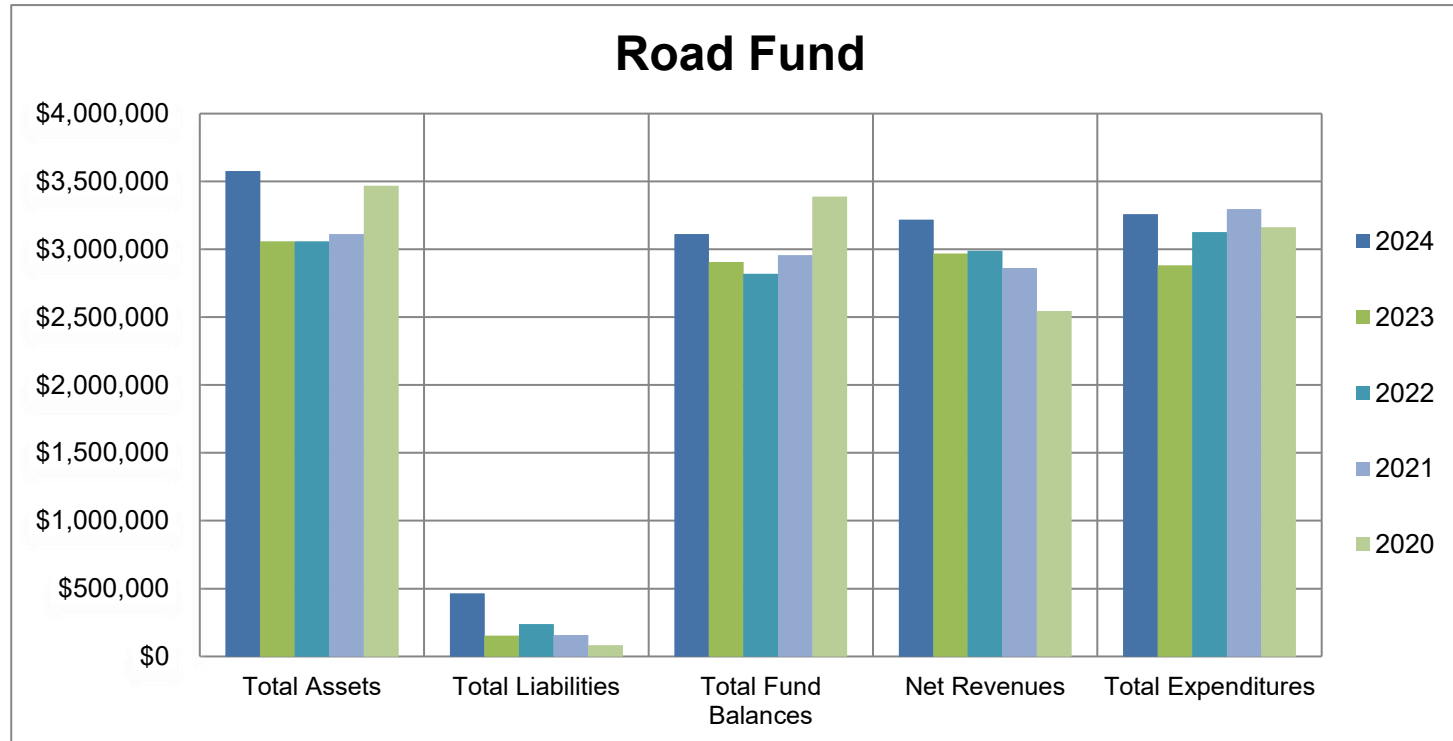
<u>General</u>	2024	2023	2022	2021	2020
Total Assets	\$ 10,871,530	\$ 10,716,269	\$ 9,742,067	\$ 8,377,384	\$ 6,977,677
Total Liabilities	1,410,972	984,654	976,457	857,112	825,072
Total Fund Balances	9,460,558	9,731,615	8,765,610	7,520,272	6,152,605
Net Revenues	9,773,332	9,899,483	9,214,145	8,487,620	8,398,969
Total Expenditures	9,394,728	8,701,506	5,276,578	7,096,750	6,957,148
Total Other Financing Sources/Uses	(649,661)	(231,972)	(2,692,229)	(23,203)	28,432



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

Schedule 4-2

<u>Road</u>	2024	2023	2022	2021	2020
Total Assets	\$ 3,575,775	\$ 3,058,070	\$ 3,056,222	\$ 3,112,455	\$ 3,468,528
Total Liabilities	463,997	152,470	237,171	156,652	80,519
Total Fund Balances	3,111,778	2,905,600	2,819,051	2,955,803	3,388,009
Net Revenues	3,217,952	2,966,525	2,987,919	2,861,278	2,544,738
Total Expenditures	3,256,774	2,879,976	3,124,671	3,295,238	3,160,810
Total Other Financing Sources/Uses	245,000			1,754	1,608,396



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Assets	\$ 13,732,749	\$ 13,363,627	\$ 13,939,584	\$ 14,004,369	\$ 9,252,424
Total Liabilities	1,888,990	1,846,613	2,418,711	1,927,668	1,958,288
Total Fund Balances	11,843,759	11,517,014	11,520,873	12,076,701	7,294,136
Net Revenues	6,212,962	6,507,781	9,184,573	9,374,471	5,385,452
Total Expenditures	6,510,878	6,743,612	12,432,630	4,613,355	5,865,376
Total Other Financing Sources/Uses	624,661	231,972	2,692,229	21,449	(747,028)

