

Fulton County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Independent Auditor's Report
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*
Management Letter

REGULATORY BASIS FINANCIAL STATEMENTS

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

SUPPLEMENTARY INFORMATION

	<u>Schedule</u>
Combining Balance Sheet – Other Funds in the Aggregate – Regulatory Basis	1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Funds in the Aggregate – Regulatory Basis	2
Notes to Schedules 1 and 2	

OTHER INFORMATION

Schedule of Capital Assets (Unaudited)	3
Schedule of Selected Information for the Last Five Years – General Fund - Regulatory Basis (Unaudited)	4-1
Schedule of Selected Information for the Last Five Years – Road Fund - Regulatory Basis (Unaudited)	4-2
Schedule of Selected Information for the Last Five Years – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	4-3



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

Fulton 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 Fulton 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 Fulton 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 Fulton 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.

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 November 20, 2025, 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

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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
November 20, 2025
LOCO02524

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

Fulton 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 Fulton 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 November 20, 2025. 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described below as item 2024-1, that we consider to be a material weakness.

2024-1 Arkansas Code requires County management to maintain accurate financial records. The financial records contained errors that are considered material as specified below:

Other Funds in the Aggregate financial records contained misstatements for revenues, expenditures, and note disclosures of \$597,731, \$749,627, and \$14,139, respectively, primarily due to misclassifications of revenues and expenses and posting errors.

The effects of these errors constitute a control deficiency in the process of preparing financial statements. County officials should implement procedures to ensure that transactions are accurately recorded.

County officials concurred with the above recommendation and approved the appropriate entries to the County's financial records.

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 result of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the Report on Internal Control over Financial Reporting section as item 2024-1.

We also reported to management of the County in a separate letter dated November 20, 2025.

County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described previously. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
November 20, 2025

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

MANAGEMENT LETTER

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

The finding contained in this letter relates to the following officials who held office during 2024:

County Judge: Kenneth Crow
Treasurer: Barry Abney
Sheriff: Jake Smith
Tax Collector: Michalle Watkins
County & Circuit Clerk: Vickie Bishop
Assessor: Cari Long
County Librarian: Racheal Foster
District Court Clerk: Brandon Holder

We would like to communicate the following item that came to our attention during this audit. The purpose of such comment 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. This matter was discussed previously with County officials during the course of our audit fieldwork and at the exit conference.

Other Issues

Four unauthorized withdrawals totaling \$88,547 were made from the County Treasurer's bank account from August 29, 2024 through September 12, 2024. County personnel discovered the unauthorized withdrawals and 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".

Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
November 20, 2025

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 3,453,285	\$ 2,590,911	\$ 2,586,447
Accounts receivable	44,523	17,471	73,626
	<u>3,497,808</u>	<u>2,608,382</u>	<u>2,660,073</u>
TOTAL ASSETS	<u>\$ 3,497,808</u>	<u>\$ 2,608,382</u>	<u>\$ 2,660,073</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 44,438	\$ 63,329	\$ 13,875
Settlements pending	90,595		463,442
Total Liabilities	<u>135,033</u>	<u>63,329</u>	<u>477,317</u>
Fund Balances:			
Restricted	886		2,135,637
Committed			47,119
Assigned	3,037	2,545,053	
Unassigned	3,358,852		
Total Fund Balances	<u>3,362,775</u>	<u>2,545,053</u>	<u>2,182,756</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,497,808</u>	<u>\$ 2,608,382</u>	<u>\$ 2,660,073</u>

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

FULTON 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	\$ 488,062	\$ 1,652,698	\$ 337,902
Federal aid	18,788	97,299	675,688
Property taxes	489,738	227,150	137,700
Sales taxes	357,058	357,058	2,762,237
Fines, forfeitures, and costs	171,005		33,085
Interest	120,282	87,142	50,839
Officers' fees	44,740		168,783
Jail fees			146,099
911 fees			217,180
Treasurer's commission	128,808		18,947
Collector's commission	167,218		28,038
Taxes apportioned - Assessor's salary and expense	294,214		
Other	93,740	100,138	91,385
TOTAL REVENUES	2,373,653	2,521,485	4,667,883
Less: Treasurer's commission	33,663	35,434	59,311
NET REVENUES	2,339,990	2,486,051	4,608,572
EXPENDITURES			
Current:			
General government	1,168,788		734,373
Law enforcement	558,314		1,488,774
Highways and streets		2,183,321	
Public safety	31,944		356,373
Health	48,939		1,615
Recreation and culture	2,475		201,270
Social services	67,683		666,673
Total Current	1,878,143	2,183,321	3,449,078
Debt Service:			
Bond principal			412,628
Bond interest and other charges			19,199
Financed purchase principal		101,184	24,556
Financed purchase interest		40,923	1,947
TOTAL EXPENDITURES	1,878,143	2,325,428	3,907,408

FULTON 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
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	\$ 461,847	\$ 160,623	\$ 701,164
OTHER FINANCING SOURCES (USES)			
Transfers in			184,416
Transfers out			(184,416)
Sales tax remitted to local fire departments			(625,669)
Sales tax remitted to hospital			(444,751)
TOTAL OTHER FINANCING SOURCES (USES)			(1,070,420)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)			
EXPENDITURES AND OTHER USES	461,847	160,623	(369,256)
FUND BALANCES - JANUARY 1	2,900,928	2,384,430	2,552,012
FUND BALANCES - DECEMBER 31	\$ 3,362,775	\$ 2,545,053	\$ 2,182,756

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

FULTON 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	\$ 456,005	\$ 488,062	\$ 32,057	\$ 1,615,000	\$ 1,652,698	\$ 37,698
Federal aid	26,247	18,788	(7,459)		97,299	97,299
Property taxes	863,700	489,738	(373,962)	205,000	227,150	22,150
Sales taxes	350,000	357,058	7,058	350,000	357,058	7,058
Fines, forfeitures, and costs	156,000	171,005	15,005			
Interest	38,062	120,282	82,220	55,000	87,142	32,142
Officers' fees	25,400	44,740	19,340			
Treasurer's commission	112,000	128,808	16,808			
Collector's commission		167,218	167,218			
Taxes apportioned - Assessor's salary and expense		294,214	294,214			
Other	76,600	93,740	17,140	12,500	100,138	87,638
TOTAL REVENUES	2,104,014	2,373,653	269,639	2,237,500	2,521,485	283,985
Less: Treasurer's commission		33,663	(33,663)		35,434	(35,434)
NET REVENUES	2,104,014	2,339,990	235,976	2,237,500	2,486,051	248,551
EXPENDITURES						
Current:						
General government	1,314,104	1,168,788	145,316			
Law enforcement	558,121	558,314	(193)			
Highways and streets				2,420,073	2,183,321	236,752
Public safety	47,370	31,944	15,426			
Health	55,742	48,939	6,803			
Recreation and culture		2,475	(2,475)			
Social services	58,630	67,683	(9,053)			
Total Current	2,033,967	1,878,143	155,824	2,420,073	2,183,321	236,752
Debt Service:						
Financed purchase principal					101,184	(101,184)
Financed purchase interest					40,923	(40,923)
TOTAL EXPENDITURES	2,033,967	1,878,143	155,824	2,420,073	2,325,428	94,645
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	70,047	461,847	391,800	(182,573)	160,623	343,196
FUND BALANCES - JANUARY 1		2,900,928	2,900,928		2,384,430	2,384,430
FUND BALANCES - DECEMBER 31	\$ 70,047	\$ 3,362,775	\$ 3,292,728	\$ (182,573)	\$ 2,545,053	\$ 2,727,626

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

FULTON 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.

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

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. See Schedules 1 and 2 for Debt Service Funds as 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.

FULTON 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, and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, officer's fees, commissions, property taxes and trust accounts that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
3. 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.
4. 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.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

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 except for the Department of Public Safety Grant Fund.

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.

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)	\$ 842,159	\$ 879,682
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the County's name	7,786,789	8,179,567
Total Deposits	<u>\$ 8,628,948</u>	<u>\$ 9,059,249</u>

The above total deposits do not include cash on hand of \$1,695.

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.

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

NOTE 4: 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
Federal aid	\$ 6,426		
Property taxes		\$ 3,851	\$ 2,274
Fines, forfeitures, and costs	11,455		2,248
Interest	1,858	4,158	
Officers' fees	3,168		17,026
Jail fees			37,602
Nine one one fees			536
Treasurer's commission	9,639		2,893
Other	2,989		258
Treasurer's commission charged	8,988	9,462	10,789
Totals	<u>\$ 44,523</u>	<u>\$ 17,471</u>	<u>\$ 73,626</u>

NOTE 5: 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	\$ 33,958	\$ 63,329	\$ 13,875
Salaries payable	10,480		
Totals	<u>\$ 44,438</u>	<u>\$ 63,329</u>	<u>\$ 13,875</u>

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

NOTE 6: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 694,289
Law enforcement			1,007,960
Public safety			112,844
Health			2,679
Recreation and culture	\$ 886		158,522
Social services			1
Capital outlay			2,245
Debt service			157,097
Total Restricted	<u>886</u>		<u>2,135,637</u>
Committed for:			
Law enforcement			<u>47,119</u>
Assigned to:			
General government	3,037		
Highways and streets		\$ 2,545,053	
Total Assigned	<u>3,037</u>	<u>2,545,053</u>	
Unassigned	<u>3,358,852</u>		
Totals	<u>\$ 3,362,775</u>	<u>\$ 2,545,053</u>	<u>\$ 2,182,756</u>

NOTE 7: 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 \$16,163,240. 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 \$4,582,347. The amount of short-term financing obligations was \$864,286 leaving a legal debt margin of \$3,718,061.

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

NOTE 8: Commitments

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

	December 31, 2024
Long-term liabilities	\$ 1,285,457
Reappraisal contract	900,480
Construction contracts	<u>620,556</u>
Total Commitments	<u>\$ 2,806,493</u>

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

NOTE 8: Commitments (Continued)

Long-term Liabilities

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

	<u>December 31, 2024</u>
<u>Bonds</u>	
Hospital Sales and Use Tax Bonds, Series 2013, dated September 27, 2013, in the amount of \$1,773,000 with an interest rate of 2.9% for the refinancing of the Sales and Use Tax Bonds Series 2007. The 2007 Series Bonds were issued for the purpose of acquiring, constructing, and equipping improvements to the county hospital. Bonds are payable from the proceeds of a 1/2% county sales tax. 138 payments of \$15,112 are due on the 1st of each month beginning October 1, 2013 through March 1, 2025. Payments are made from the 2013 Series Sales and Use Tax Bonds Fund.	\$ 30,116
USDA-RD Sales and Use Tax Capital Improvements Bond - Series 2012, dated January 1, 2013, in the amount of \$1,700,000 with an interest rate of 3.125% for the purpose of acquiring, constructing, furnishing, and equipping the new county jail. The bonds are due in monthly installments of \$6,290 payable from the proceeds of 17.5% of the 1% county sales tax. Surplus tax receipts will be used to redeem bonds as funds are available, thus shortening the final maturity date of the bonds. The maturity date of the bonds as of the year ended December 31, 2024 is December 31, 2029. Payments are to be made from the Jail Sales and Use Tax Bonds Fund.	346,654
Total Bonds	<u>376,770</u>
<u>Direct Borrowings</u>	
Financed purchase agreement with Caterpillar Financial Services Corporation in the amount of \$34,897, entered into on April 10, 2020, for the purchase of a Caterpillar 236D Skid Steer Loader to be repaid with 60 monthly payments of \$640 beginning May 10, 2020. The interest rate is 3.85%. Payments are to be made from the Road Fund.	1,906
Financed purchase agreement with Red River Dodge Chrysler Jeep Ram through Santander Bank in the amount of \$96,455, entered into on April 23, 2021, for the purchase of three 2021 Dodge Durango Police Vehicles to be repaid within 4 annual installments of \$26,503 beginning April 23, 2022. The interest rate is 3.889%. Payments are to be made from the Law Enforcement Sales Tax Fund.	25,511
Financed purchase agreement with BancorpSouth Equipment Finance a Division of Cadence Bank in the amount of \$254,490, entered into on July 27, 2022, for the purchase of a motor grader to be repaid with 60 monthly payments of \$2,722 beginning August 27, 2022. The interest rate is 3.72%. Payments are to be made from the Road Fund.	198,042
Financed purchase agreement with Bank of Salem in the amount of \$256,016, entered into on February 6, 2023, for the purchase of a motor grader to be paid with 59 monthly payments of \$2,985 beginning March 6, 2023 with a final balloon payment of \$129,309 due on the maturity date of February 6, 2028. The interest rate is 5.00%. Payments are to be made from the Road Fund.	212,209
Financed purchase agreement with Bank of Salem in the amount of \$256,016, entered into on March 1, 2023, for the purchase of a motor grader to be paid with 59 monthly payments of \$2,985 beginning March 29, 2023 and a final balloon payment of \$129,308 due on the maturity date of February 29, 2028. The interest rate is 5.00%. Payments are to be made from the Road Fund.	214,301
Financed purchase agreement with Bank of Salem in the amount of \$256,016, entered into on April 3, 2023, for the purchase of a motor grader to be paid with 59 monthly payments of \$2,985 beginning May 3, 2023 and a final balloon payment of \$129,380 due on the maturity date of April 3, 2028. The interest rate is 5.00%. Payments are to be made from the Road Fund.	212,317
Total Direct Borrowings	<u>864,286</u>
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	44,401
Total Long-term liabilities	<u>\$ 1,285,457</u>

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

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

NOTE 8: Commitments (Continued)

The County's outstanding bonds payable of \$376,770 contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The County's outstanding direct borrowings of \$864,286 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.

Change in Compensated Absences

	December 31, 2024
Beginning balance compensated absences	\$ 54,973
Ending balance compensated absences	44,401
Net increase (decrease)	<u>\$ (10,572)</u>

Post Employment Benefits Other Than Pensions

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

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>Bonds</u>					
9/27/13	3/1/25	2.9%	\$ 1,773,000	\$ 30,116	\$ 1,742,884
1/1/13	12/31/29	3.125%	1,700,000	346,654	1,353,346
Total Bonds			<u>3,473,000</u>	<u>376,770</u>	<u>3,096,230</u>
<u>Direct Borrowings</u>					
4/10/20	4/10/25	3.85%	34,897	1,906	32,991
4/23/21	4/23/25	3.889%	96,455	25,511	70,944
7/27/22	7/27/27	3.72%	254,490	198,042	56,448
2/6/23	2/6/28	5%	256,016	212,209	43,807
3/1/23	2/29/28	5%	256,016	214,301	41,715
4/3/23	4/3/28	5%	256,016	212,317	43,699
Total Direct Borrowings			<u>1,153,890</u>	<u>864,286</u>	<u>289,604</u>
Total Long-Term Debt			<u>\$ 4,626,890</u>	<u>\$ 1,241,056</u>	<u>\$ 3,385,834</u>

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

NOTE 8: Commitments (Continued)

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
Bonds payable	\$ 789,398	\$ 0	\$ 412,628	\$ 376,770
<u>Direct Borrowings</u>				
Financed purchases	990,026	0	125,740	864,286
Total Long-Term Debt	<u>\$ 1,779,424</u>	<u>\$ 0</u>	<u>\$ 538,368</u>	<u>\$ 1,241,056</u>

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 95,697	\$ 10,007	\$ 105,704	\$ 130,064	\$ 38,228	\$ 168,292
2026	67,660	7,820	75,480	107,521	32,609	140,130
2027	69,805	5,675	75,480	228,260	25,507	253,767
2028	72,018	3,462	75,480	398,441	4,483	402,924
2029	71,590	1,170	72,760			
Totals	<u>\$ 376,770</u>	<u>\$ 28,134</u>	<u>\$ 404,904</u>	<u>\$ 864,286</u>	<u>\$ 100,827</u>	<u>\$ 965,113</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corp on November 12, 2024, for a county-wide reappraisal. The County is obligated for 48 monthly payments of \$18,760 for a total of \$900,480 beginning January 15, 2025. Contract expense for 2024 on a previous contract dated November 8, 2021, was \$221,410.

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

Year	December 31, 2024
2025	\$ 225,120
2026	225,120
2027	225,120
2028	225,120
Total	<u>\$ 900,480</u>

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

NOTE 8: Commitments (Continued)

Construction Contracts

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

Project Name	Completed or Estimated Completion Date	Contract Balance December 31, 2024
Fulton County Water Project	February 1, 2026	\$ 606,813
Mammoth Spring Library	March 14, 2025	13,743
Total Construction Contracts		\$ 620,556

NOTE 9: Interfund Transfers

Within the Other Funds in the Aggregate, the Hospital Sales Tax Fund transferred \$181,347 to the 2013 Series Sales and Use Tax Bond Fund for debt payments, and the Sheriff Drug Fund transferred \$3,069 to the Drug Control Fund to close the Drug Enforcement bank account.

NOTE 10: Pledged Revenues

The County pledged future 0.5% sales and use taxes to repay \$1,773,000 in bonds that were issued in 2013 to provide funding for the acquisition, construction, and equipping of improvements at the Fulton County Hospital. Total principal and interest remaining on the bonds are \$30,116 and \$109, respectively, payable through March 1, 2025. For 2024, principal and interest paid were \$177,666 and \$3,681, respectively.

The Hospital Sales Tax Fund received \$634,997 in sales taxes in 2024. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for the operation and maintenance of the county hospital.

The County pledged 17.5% of future 1% general county sales and use taxes to repay \$1,700,000 in bonds that were issued in 2013 to provide funding for the acquisition, construction, and furnishing of a new jail. Total principal and interest remaining on the bonds are \$346,654 and \$28,025, respectively, payable through 2029. For 2024, principal and interest paid were \$234,962 and \$15,518, respectively.

The Jail Sales and Use Tax Bond Fund received \$222,249 in sales taxes in 2024. Surplus tax receipts are used to redeem bonds as funds are available, thus shortening the final maturity date of the bonds.

NOTE 11: Jointly Governed Organizations

White River Regional Solid Waste Management District

The County is a member of the White River Regional Solid Waste Management District. This District is a jointly governed organization comprised of Cleburne, Fulton, Independence, Izard, Jackson, Sharp, Stone, Van Buren, White, and Woodruff Counties and participating cities within the aforementioned counties. Representatives are the respective county judges and mayors unless some other representative is appointed by the participating entity. Fulton County did not make any payments to the White River Regional Solid Waste Management District in 2024.

White River Regional Library

Independence, Stone, Sharp, Cleburne, Izard, and Fulton Counties entered into an agreement in May 1978 in accordance with Ark. Code Ann. § 13-2-101 to establish the White River Regional Library. Initially, the parties agreed to the formation of a regional library for a period of two years. The Board's existence was continued from year to year thereafter unless a participating member gave notice of cancellation at least 60 days prior to the end of the fiscal year. Independence County cancelled its membership on April 10, 2016. The White River Regional Library Board is comprised of one board member from each of the participating counties. The County Library did not pay any regional library expenditures in 2024. Contact the White River Regional Library at P.O. Box 1107, Mountain View, AR 72560, to obtain financial statements.

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

NOTE 12: 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 13: 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.

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

NOTE 13: 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 \$393,523.

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 \$2,813,402.

NOTE 14: Hospital Lease

On February 29, 2024, Fulton County entered into a lease agreement with Baxter Health, a nonprofit corporation, for the operation of the Fulton County Hospital. The agreement provides for the transfer of operations and all personal property used in the operation of the hospital as a going concern. The term and consideration of the lease is \$25 per year for 25 years with the automatic renewal for two successive terms of 25 years each, unless notification to terminate is given within 60 days prior to the expiration of any lease term.

FULTON 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 Public Library	Child Support Cost	Drug Control
ASSETS									
Cash and cash equivalents	\$ 105,896	\$ 190,094	\$ 12,769	\$ 8,994	\$ 44,340	\$ 276,094	\$ 155,910	\$ 8,751	\$ 21,405
Accounts receivable	2,893		668	372		16,619	2,382		
TOTAL ASSETS	<u>\$ 108,789</u>	<u>\$ 190,094</u>	<u>\$ 13,437</u>	<u>\$ 9,366</u>	<u>\$ 44,340</u>	<u>\$ 292,713</u>	<u>\$ 158,292</u>	<u>\$ 8,751</u>	<u>\$ 21,405</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable				\$ 5		\$ 544	\$ 752		
Settlements pending									
Total Liabilities				<u>5</u>		<u>544</u>	<u>752</u>		
Fund Balances:									
Restricted	\$ 108,789	\$ 190,094	\$ 13,437	9,361	\$ 44,340	292,169	157,540	\$ 8,751	\$ 21,405
Committed									
Total Fund Balances	<u>108,789</u>	<u>190,094</u>	<u>13,437</u>	<u>9,361</u>	<u>44,340</u>	<u>292,169</u>	<u>157,540</u>	<u>8,751</u>	<u>21,405</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 108,789</u>	<u>\$ 190,094</u>	<u>\$ 13,437</u>	<u>\$ 9,366</u>	<u>\$ 44,340</u>	<u>\$ 292,713</u>	<u>\$ 158,292</u>	<u>\$ 8,751</u>	<u>\$ 21,405</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Law Enforcement Sales Tax	Indigent Criminal Defense	Public Safety	Criminal Justice Depreciation	Circuit Clerk Commissioner's Fee	American Rescue Plan Act
ASSETS									
Cash and cash equivalents	\$ 132,076	\$ 16,095	\$ 111,886	\$ 743,868	\$ 8,990	\$ 433	\$ 46,003	\$ 7,323	\$ 32,411
Accounts receivable	38,066		536	5,585			1,116	35	
TOTAL ASSETS	<u>\$ 170,142</u>	<u>\$ 16,095</u>	<u>\$ 112,422</u>	<u>\$ 749,453</u>	<u>\$ 8,990</u>	<u>\$ 433</u>	<u>\$ 47,119</u>	<u>\$ 7,358</u>	<u>\$ 32,411</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 2,468		\$ 2,687	\$ 7,243					
Settlements pending									
Total Liabilities	<u>2,468</u>		<u>2,687</u>	<u>7,243</u>					
Fund Balances:									
Restricted	167,674	\$ 16,095	109,735	742,210	\$ 8,990	\$ 433		\$ 7,358	\$ 32,411
Committed							\$ 47,119		
Total Fund Balances	<u>167,674</u>	<u>16,095</u>	<u>109,735</u>	<u>742,210</u>	<u>8,990</u>	<u>433</u>	<u>47,119</u>	<u>7,358</u>	<u>32,411</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 170,142</u>	<u>\$ 16,095</u>	<u>\$ 112,422</u>	<u>\$ 749,453</u>	<u>\$ 8,990</u>	<u>\$ 433</u>	<u>\$ 47,119</u>	<u>\$ 7,358</u>	<u>\$ 32,411</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	Fire Protection Sales Tax	Hospital Sales Tax	16th Judicial District Court	Arkansas Department of Economic Development	Courtroom Security Grant	Local Law Enforcement Block Grant	Fulton County Recreational Complex	Arkansas Economic Development Commission	Assessor's Late Assessment Fee
ASSETS									
Cash and cash equivalents		\$ 40,922	\$ 2,325	\$ 1	\$ 48	\$ 61	\$ 1,158	\$ 1	\$ 377
Accounts receivable	\$ 2,676	2,678							
TOTAL ASSETS	<u>\$ 2,676</u>	<u>\$ 43,600</u>	<u>\$ 2,325</u>	<u>\$ 1</u>	<u>\$ 48</u>	<u>\$ 61</u>	<u>\$ 1,158</u>	<u>\$ 1</u>	<u>\$ 377</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable							\$ 176		
Settlements pending		\$ 40,922							
Total Liabilities		<u>40,922</u>					<u>176</u>		
Fund Balances:									
Restricted	\$ 2,676	2,678	\$ 2,325	\$ 1	\$ 48	\$ 61	982	\$ 1	\$ 377
Committed									
Total Fund Balances	<u>2,676</u>	<u>2,678</u>	<u>2,325</u>	<u>1</u>	<u>48</u>	<u>61</u>	<u>982</u>	<u>1</u>	<u>377</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,676</u>	<u>\$ 43,600</u>	<u>\$ 2,325</u>	<u>\$ 1</u>	<u>\$ 48</u>	<u>\$ 61</u>	<u>\$ 1,158</u>	<u>\$ 1</u>	<u>\$ 377</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS			DEBT SERVICE FUNDS	
	Juvenile Officer Grant Fund	Arkansas Disaster Relief Grant	Sheriff Drug	Communication Facility and Equipment	Hospital Improvement Grant	Fulton County Water Project	Library Community Grant	Jail Sales and Use Tax Bond	2013 Series Sales and Use Tax Bonds
ASSETS									
Cash and cash equivalents	\$ 919	\$ 10,000	\$ 445	\$ 24,990	\$ 1	\$ 1	\$ 2,243	\$ 157,096	\$ 1
Accounts receivable									
TOTAL ASSETS	<u>\$ 919</u>	<u>\$ 10,000</u>	<u>\$ 445</u>	<u>\$ 24,990</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2,243</u>	<u>\$ 157,096</u>	<u>\$ 1</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									
Settlements pending									
Total Liabilities									
Fund Balances:									
Restricted	\$ 919	\$ 10,000	\$ 445	\$ 24,990	\$ 1	\$ 1	\$ 2,243	\$ 157,096	\$ 1
Committed									
Total Fund Balances	<u>919</u>	<u>10,000</u>	<u>445</u>	<u>24,990</u>	<u>1</u>	<u>1</u>	<u>2,243</u>	<u>157,096</u>	<u>1</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 919</u>	<u>\$ 10,000</u>	<u>\$ 445</u>	<u>\$ 24,990</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 2,243</u>	<u>\$ 157,096</u>	<u>\$ 1</u>

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

Schedule 1

	CUSTODIAL FUNDS					
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County/ Circuit Clerk's Accounts	District Court Accounts	Totals
ASSETS						
Cash and cash equivalents	\$ 239,946	\$ 77,240	\$ 416	\$ 61,409	\$ 43,509	\$ 2,586,447
Accounts receivable						73,626
TOTAL ASSETS	<u>\$ 239,946</u>	<u>\$ 77,240</u>	<u>\$ 416</u>	<u>\$ 61,409</u>	<u>\$ 43,509</u>	<u>\$ 2,660,073</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 13,875
Settlements pending	\$ 239,946	\$ 77,240	\$ 416	\$ 61,409	\$ 43,509	463,442
Total Liabilities	<u>239,946</u>	<u>77,240</u>	<u>416</u>	<u>61,409</u>	<u>43,509</u>	<u>477,317</u>
Fund Balances:						
Restricted						2,135,637
Committed						47,119
Total Fund Balances						<u>2,182,756</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 239,946</u>	<u>\$ 77,240</u>	<u>\$ 416</u>	<u>\$ 61,409</u>	<u>\$ 43,509</u>	<u>\$ 2,660,073</u>

FULTON 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 Public Library	Reappraisal Cost	Child Support Cost
REVENUES									
State aid					\$ 5,071		\$ 33,998	\$ 221,410	
Federal aid									
Property taxes							137,700		
Sales taxes									
Fines, forfeitures, and costs			\$ 5,680						
Interest	\$ 2,666	\$ 4,229	291	\$ 185	1,147	\$ 7,694	4,134		\$ 216
Officers' fees				6,283		156,425			660
Jail fees									
911 fees									
Treasurer's commission	18,947								
Collector's commission		28,038							
Other		163	23	32	32	641	5,064		
TOTAL REVENUES	21,613	32,430	5,994	6,500	6,250	164,760	180,896	221,410	876
Less: Treasurer's commission		645	112	133	124	2,950	3,510		
NET REVENUES	21,613	31,785	5,882	6,367	6,126	161,810	177,386	221,410	876
EXPENDITURES									
Current:									
General government	7,837	10,191				157,714		221,410	
Law enforcement			3,448	2,529					
Public safety									
Health									
Recreation and culture							180,741		
Social services									
Total Current	7,837	10,191	3,448	2,529		157,714	180,741	221,410	
Debt Service:									
Bond principal									
Bond interest and other charges									
Financed purchase principal									
Financed purchase interest									
TOTAL EXPENDITURES	7,837	10,191	3,448	2,529		157,714	180,741	221,410	
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	13,776	21,594	2,434	3,838	6,126	4,096	(3,355)		876
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Sales tax remitted to local fire departments									
Sales tax remitted to hospital									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	13,776	21,594	2,434	3,838	6,126	4,096	(3,355)		876
FUND BALANCES - JANUARY 1	95,013	168,500	11,003	5,523	38,214	288,073	160,895		7,875
FUND BALANCES - DECEMBER 31	\$ 108,789	\$ 190,094	\$ 13,437	\$ 9,361	\$ 44,340	\$ 292,169	\$ 157,540	\$ 0	\$ 8,751

FULTON 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								
	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Law Enforcement Sales Tax	Indigent Criminal Defense	Public Safety	Criminal Justice Depreciation	Circuit Clerk Commissioner's Fee
REVENUES									
State aid			\$ 1,130			\$ 1,293			
Federal aid									
Property taxes									
Sales taxes					\$ 1,269,994				
Fines, forfeitures, and costs	\$ 500	\$ 4,015				10,562		\$ 12,328	
Interest	610	3,273	403	\$ 3,486	19,553	95	\$ 11	1,043	\$ 164
Officers' fees					105			30	1,318
Jail fees		132,008							
911 fees				217,180					
Treasurer's commission									
Collector's commission									
Other	44	802	10	31,481	42,040	8		69	2
TOTAL REVENUES	1,154	140,098	1,543	252,147	1,331,692	11,958	11	13,470	1,484
Less: Treasurer's commission	22	2,174	31	4,421	20,358	28		265	29
NET REVENUES	1,132	137,924	1,512	247,726	1,311,334	11,930	11	13,205	1,455
EXPENDITURES									
Current:									
General government									
Law enforcement	7,043	82,108			1,324,749	4,443			
Public safety				298,723					
Health									
Recreation and culture									
Social services									
Total Current	7,043	82,108		298,723	1,324,749	4,443			
Debt Service:									
Bond principal									
Bond interest and other charges									
Financed purchase principal					24,556				
Financed purchase interest					1,947				
TOTAL EXPENDITURES	7,043	82,108		298,723	1,351,252	4,443			
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	(5,911)	55,816	1,512	(50,997)	(39,918)	7,487	11	13,205	1,455
OTHER FINANCING SOURCES (USES)									
Transfers in	3,069								
Transfers out									
Sales tax remitted to local fire departments									
Sales tax remitted to hospital									
TOTAL OTHER FINANCING SOURCES (USES)	3,069								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	(2,842)	55,816	1,512	(50,997)	(39,918)	7,487	11	13,205	1,455
FUND BALANCES - JANUARY 1	24,247	111,858	14,583	160,732	782,128	1,503	422	33,914	5,903
FUND BALANCES - DECEMBER 31	\$ 21,405	\$ 167,674	\$ 16,095	\$ 109,735	\$ 742,210	\$ 8,990	\$ 433	\$ 47,119	\$ 7,358

FULTON 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						
	American Rescue Plan Act	Fire Protection Sales Tax	Hospital Sales Tax	16th Judicial District Court	Arkansas Department of Economic Development	Courtroom Security Grant	Fulton County Recreational Complex
REVENUES							
State aid							
Federal aid					\$ 7,956		\$ 7,400
Property taxes							
Sales taxes		\$ 634,997	\$ 634,997				
Fines, forfeitures, and costs							
Interest			436	\$ 61		\$ 1	\$ 40
Officers' fees							
Jail fees							
911 fees							
Treasurer's commission							
Collector's commission							
Other	\$ 105						7,043
TOTAL REVENUES	105	634,997	635,433	61	7,956	1	7,083
Less: Treasurer's commission		10,024	10,030	1			1
NET REVENUES	105	624,973	625,403	60	7,956	1	7,082
EXPENDITURES							
Current:							
General government	337,221						
Law enforcement							7,339
Public safety	57,650						
Health							
Recreation and culture							7,772
Social services					7,956		
Total Current	394,871				7,956		7,772
Debt Service:							
Bond principal							
Bond interest and other charges							
Financed purchase principal							
Financed purchase interest							
TOTAL EXPENDITURES	394,871				7,956		7,772
EXCESS OF REVENUES OVER (UNDER)							
EXPENDITURES	(394,766)	624,973	625,403	60		1	61
							(690)
OTHER FINANCING SOURCES (USES)							
Transfers in							
Transfers out			(181,347)				
Sales tax remitted to local fire departments		(625,669)					
Sales tax remitted to hospital			(444,751)				
TOTAL OTHER FINANCING SOURCES (USES)		(625,669)	(626,098)				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)							
EXPENDITURES AND OTHER USES	(394,766)	(696)	(695)	60		1	61
							(690)
FUND BALANCES - JANUARY 1	427,177	3,372	3,373	2,265	1	47	1,672
FUND BALANCES - DECEMBER 31	\$ 32,411	\$ 2,676	\$ 2,678	\$ 2,325	\$ 1	\$ 48	\$ 982

FULTON 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						
	Arkansas Economic Development Commission	Assessor's Late Assessment Fee	Juvenile Officer Grant Fund	Department of Public Safety Grant	Arkansas Disaster Relief Grant	Sheriff Drug	Communication Facility and Equipment
REVENUES							
State aid				\$ 50,000	\$ 10,000		
Federal aid	\$ 1,615						
Property taxes							
Sales taxes							
Fines, forfeitures, and costs							
Interest		\$ 382				\$ 2	
Officers' fees							\$ 3,962
Jail fees							14,091
911 fees							
Treasurer's commission							
Collector's commission							
Other		3					2,643
TOTAL REVENUES	1,615	385		50,000	10,000	2	20,696
Less: Treasurer's commission		8					
NET REVENUES	1,615	377		50,000	10,000	2	20,696
EXPENDITURES							
Current:							
General government							
Law enforcement			\$ 931	50,000			6,184
Public safety							
Health	1,615						
Recreation and culture							
Social services							
Total Current	1,615		931	50,000			6,184
Debt Service:							
Bond principal							
Bond interest and other charges							
Financed purchase principal							
Financed purchase interest							
TOTAL EXPENDITURES	1,615		931	50,000			6,184
EXCESS OF REVENUES OVER (UNDER)							
EXPENDITURES		377	(931)		10,000	2	14,512
OTHER FINANCING SOURCES (USES)							
Transfers in							
Transfers out						(3,069)	
Sales tax remitted to local fire departments							
Sales tax remitted to hospital							
TOTAL OTHER FINANCING SOURCES (USES)						(3,069)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)							
EXPENDITURES AND OTHER USES		377	(931)		10,000	(3,067)	14,512
FUND BALANCES - JANUARY 1	1		1,850			3,512	10,478
FUND BALANCES - DECEMBER 31	\$ 1	\$ 377	\$ 919	\$ 0	\$ 10,000	\$ 445	\$ 24,990

FULTON 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

	CAPITAL PROJECTS FUNDS			DEBT SERVICE FUNDS		
	Hospital Improvement Grant	Fulton County Water Project	Library Community Grant	Jail Sales and Use Tax Bond	2013 Series Sales and Use Tax Bonds	Totals
REVENUES						
State aid			\$ 15,000			\$ 337,902
Federal aid		\$ 658,717				675,688
Property taxes						137,700
Sales taxes				\$ 222,249		2,762,237
Fines, forfeitures, and costs						33,085
Interest				717		50,839
Officers' fees						168,783
Jail fees						146,099
911 fees						217,180
Treasurer's commission						18,947
Collector's commission						28,038
Other				1,180		91,385
TOTAL REVENUES		658,717	15,000	224,146		4,667,883
Less: Treasurer's commission				4,445		59,311
NET REVENUES		658,717	15,000	219,701		4,608,572
EXPENDITURES						
Current:						
General government						734,373
Law enforcement						1,488,774
Public safety						356,373
Health						1,615
Recreation and culture			12,757			201,270
Social services		658,717				666,673
Total Current		658,717	12,757			3,449,078
Debt Service:						
Bond principal				234,962	\$ 177,666	412,628
Bond interest and other charges				15,518	3,681	19,199
Financed purchase principal						24,556
Financed purchase interest						1,947
TOTAL EXPENDITURES		658,717	12,757	250,480	181,347	3,907,408
EXCESS OF REVENUES OVER (UNDER)						
EXPENDITURES			2,243	(30,779)	(181,347)	701,164
OTHER FINANCING SOURCES (USES)						
Transfers in					181,347	184,416
Transfers out						(184,416)
Sales tax remitted to local fire departments						(625,669)
Sales tax remitted to hospital						(444,751)
TOTAL OTHER FINANCING SOURCES (USES)					181,347	(1,070,420)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)						
EXPENDITURES AND OTHER USES			2,243	(30,779)		(369,256)
FUND BALANCES - JANUARY 1	\$ 1	1		187,875	1	2,552,012
FUND BALANCES - DECEMBER 31	\$ 1	\$ 1	\$ 2,243	\$ 157,096	\$ 1	\$ 2,182,756

FULTON 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 Public Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.
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.

FULTON 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>
Law Enforcement Sales Tax	Fulton County Ordinance no. 2018-08 (September 10, 2018) established fund to receive a one percent (1.0%) sales and use tax, approved by the voters on December 11, 2018, levied for the purpose of improving, equipping, staffing, and providing for the operation and maintenance of the Fulton County Sheriff's office and Fulton County Detention facilities and to pay for the costs associated with the housing of prisoners.
Indigent Criminal Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court, defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.
Public Safety	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines levied for violations of the Child Passenger Protection Code to be used for promotion of public safety.
Criminal Justice Depreciation	Fulton County Ordinance no. 1995-11 (December 19, 1995) established fund to receive a portion of District Court fines to be used to acquire, maintain, repair, and replace equipment used by the Sheriff's Department and District Court.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.
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.
Fire Protection Sales Tax	Fulton County Ordinance no. 2002-14 (August 12, 2002) established fund to receive one-half of one percent (0.50%) sales and use tax, approved by voters on November 5, 2002, levied for the purpose of funding fire protection facilities for various fire departments.
Hospital Sales Tax	Established to receive a one-half of one percent (0.50%) sales and use tax, approved by voters on September 13, 2005, levied for the debt service requirements on a future bond issue (2007) with any funds in excess of debt requirements to be used for operation and maintenance of the county hospital. Funds for the debt service requirements are distributed to the 2007 Series Sales and Use Tax Bond Fund, and funds for the operation and maintenance of the hospital are distributed to the Fulton County Hospital. In 2013, the 2007 Series Sales and Use Tax Bond Fun was refunded by a 2013 Series Sales and Use Tax Bond.

FULTON 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>
16th Judicial District Court	Circuit court order established fund for the purchase of office equipment, office supplies, and supplementation of salaries for support personnel. The County General Fund originally transferred \$4,000 into the 16th Judicial District Fund.
Arkansas Department of Economic Development	Established to receive and disburse grant funds received from the Arkansas Economic Development Commission for the purchase of equipment for the Fulton County Hospital.
Courtroom Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Local Law Enforcement Block Grant	Established to receive and disburse Law Enforcement Block Grant funds.
Fulton County Recreational Complex	Established to account for a grant received for the purpose of constructing a restroom/concession building at the Fulton County sports complex.
Arkansas Economic Development Commission	Established to receive and disburse grant funds received from the Arkansas Economic Development Commission for Senior Center Improvements.
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.
Juvenile Officer Grant Fund	Established to account for grant received from Administrative Office of the Courts for mileage reimbursement, technology upgrades, and training.
Department of Public Safety Grant	Established to account for grant received from the Arkansas Department of Public Safety to purchase approved equipment for the Sheriff Department.
Arkansas Disaster Relief Grant	Fulton County Ordinance no. 2024-08 (June 18, 2024) established fund to account for grant received from the Arkansas Disaster Relief Court Grant Fund.
Sheriff Drug	Fulton County Ordinance no. 2004-14 (November 8, 2004) established fund to assist the County Sheriff in drug enforcement.

FULTON 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>
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.
Hospital Improvement Grant	Established to receive and disburse United States Department of Agriculture Rural Development (USDA) Grant for additional parking and electrical upgrades for the Hospital. Fulton County is the project administrator for the grantee. Fund is restricted by Grantor.
Fulton County Water Project	Established to receive and disburse Arkansas Community and Economic Development (ACEDP) Grant for the installation of water infrastructure. Fulton County is the project administrator for the grantee. Fund is restricted by Grantor.
Library Community Grant	Established to receive and disburse Arkansas Rural Community Grant Program grant for the expansion and renovation of the Mammoth Spring Library.
Jail Sales and Use Tax Bond	Fulton County Ordinance no. 2012-11 (November 5, 2012) established fund to received 17.5% of the County's one percent sales and use tax pledged for debt service of a 2013 bond issue for the construction of a new county jail and law enforcement complex.
2013 Series Sales and Use Tax Bonds	Established to receive one half of one percent (0.50%) sales and use tax, approved by voters on September 13, 2005, to be used for the debt service requirements on the 2007 Series bond issue, as distributed from the Hospital Sales Tax Fund. In 2013, the 2007 Series bond issued was refinanced with a 2013 Series bond issue.

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

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

Sheriff's accounts consist primarily of fees settlement and bonds pending.

County/Circuit Clerk's accounts consist primarily of trust money awaiting disposition by the applicable court and fees to be settled with the Treasurer.

District Court accounts consist primarily of fines and costs not yet distributed to the county and/or state.

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

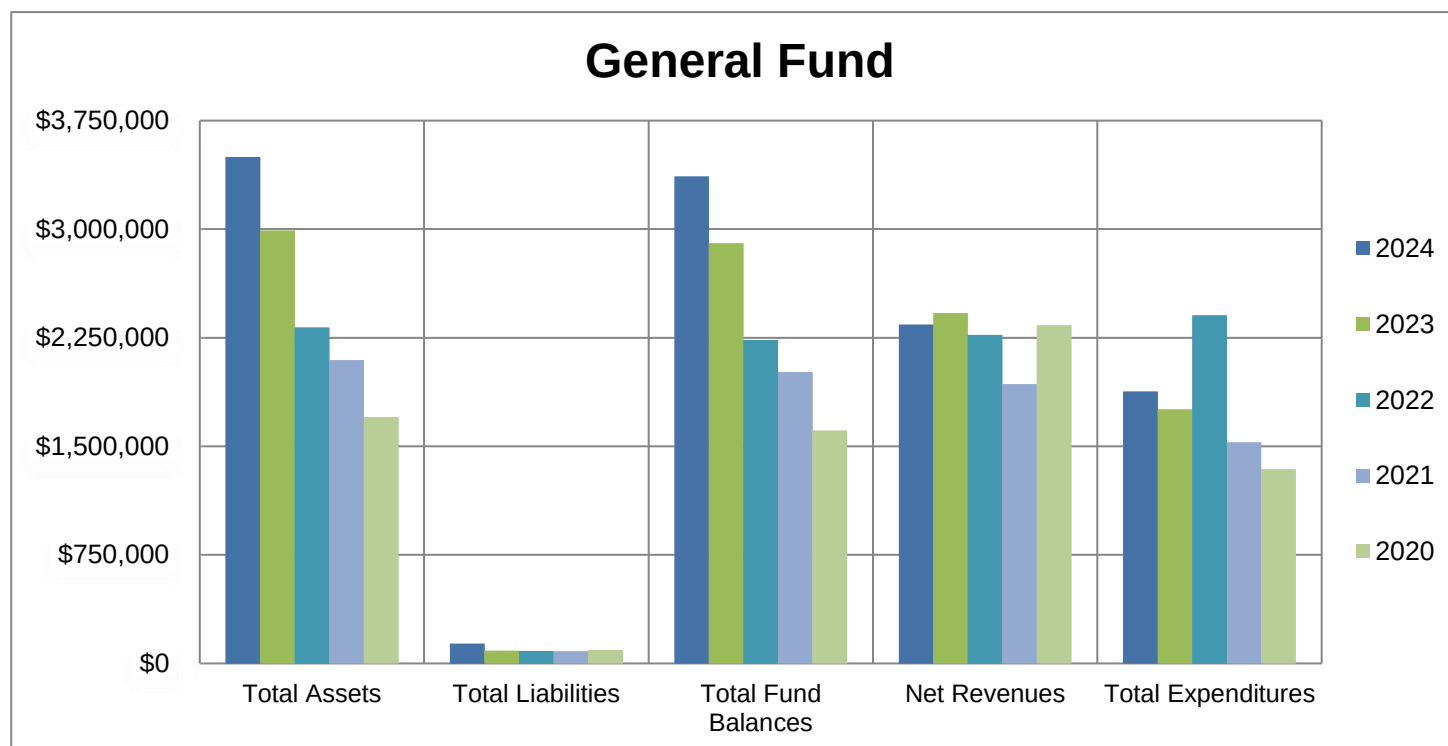
Schedule 3

	December 31, 2024
Land	\$ 243,424
Buildings	4,925,997
Equipment	<u>5,044,071</u>
Total	<u><u>\$ 10,213,492</u></u>

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

Schedule 4-1

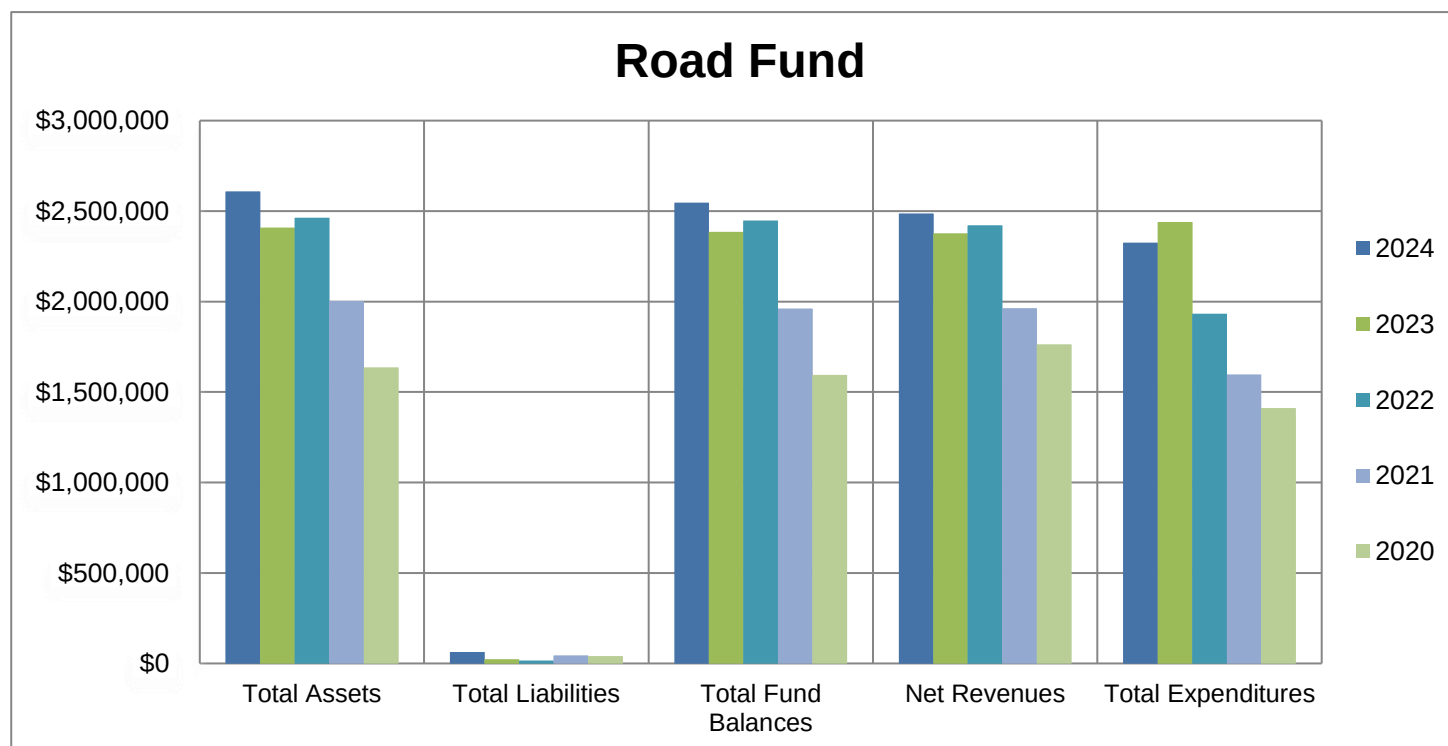
<u>General</u>	2024	2023	2022	2021	2020
Total Assets	\$ 3,497,808	\$ 2,989,127	\$ 2,319,528	\$ 2,095,014	\$ 1,701,413
Total Liabilities	135,033	88,199	84,810	82,047	92,049
Total Fund Balances	3,362,775	2,900,928	2,234,718	2,012,967	1,609,364
Net Revenues	2,339,990	2,419,928	2,270,196	1,929,712	2,335,924
Total Expenditures	1,878,143	1,753,718	2,403,740	1,526,109	1,341,777
Total Other Financing Sources/Uses			355,295		



FULTON 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	\$ 2,608,382	\$ 2,407,460	\$ 2,461,937	\$ 2,003,438	\$ 1,635,377
Total Liabilities	63,329	23,030	14,334	43,781	40,393
Total Fund Balances	2,545,053	2,384,430	2,447,603	1,959,657	1,594,984
Net Revenues	2,486,051	2,375,775	2,419,458	1,961,580	1,762,205
Total Expenditures	2,325,428	2,438,948	1,931,512	1,596,907	1,410,440
Total Other Financing Sources/Uses					



FULTON 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>	2024	2023	2022	2021	2020
Total Assets	\$ 2,660,073	\$ 4,567,055	\$ 3,661,605	\$ 3,349,543	\$ 1,724,321
Total Liabilities	477,317	2,015,043	597,527	411,615	370,762
Total Fund Balances	2,182,756	2,552,012	3,064,078	2,937,928	1,353,559
Net Revenues	4,608,572	4,070,140	5,061,017	4,777,152	3,135,050
Total Expenditures	3,907,408	3,523,111	3,842,574	2,359,475	2,156,586
Total Other Financing Sources/Uses	(1,070,420)	(1,059,095)	(1,092,293)	(833,308)	(680,208)

