

Ouachita County, Arkansas

**Regulatory Basis Financial Statements
and Other Reports**

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



OUACHITA 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

Ouachita 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 Ouachita 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, 2023; 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 Ouachita County, Arkansas, as of December 31, 2023; 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 Ouachita County, Arkansas, as of December 31, 2023, 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 June 30, 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



Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
June 30, 2025
LOCO05223

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

Ouachita 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 Ouachita County, Arkansas (County), as of and for the year ended December 31, 2023, 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 June 30, 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 2023-1, that we consider to be a material weakness.

2023-1 2 CFR § 200.501 requires County management to obtain a federal compliance audit when federal expenditures exceed \$750,000. The County had federal expenditures in excess of \$750,000 in 2023, 2022, and 2021 but, due to management oversight, did not obtain federal compliance audits as required. The County could be responsible for repayment of federal expenditures if instances of noncompliance are noted during a federal compliance audit. We recommend the County obtain federal compliance audits for each of the respective years.

County Judge's Response:

In 2021, Ouachita County posted in different papers an RFP for different firms for a single federal audit. There were three proposals submitted, and the county selected a private CPA firm. We will insist movement on the audit immediately with reports to the County Judge and Legislative Audit, or proposal selection will be published for request for proposals to complete all audits that are due.

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 2023-1.

We also reported to management of the County in a separate letter dated June 30, 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
June 30, 2025

Arkansas

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



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LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

Ouachita 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 2023:

County Judge: Robert McAdoo
Treasurer: Melinda Chambers
Sheriff/Tax Collector: David Norwood
County Clerk: Sherri Hunter
Circuit Clerk: Gladys Nettles
Assessor: Tonya McKenzie

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

The County disbursed funds totaling \$55,900 in apparent conflict with Ark. Const. Art. 12, § 5, as interpreted by Op. Att'y Gen. no. 1992-099:

- \$55,000 more than the amount stipulated in the executed contract for services with Ouachita Partnership for Economic Development, Inc.
- \$900 for sponsorship and advertisements.

Appropriation ordinances passed by the Quorum Court were not accurately posted to the appropriations journal, in noncompliance with Ark. Code Ann. §§ 14-14-904 - 14-14-907, 14-20-103 - 14-20-104. The failure to process appropriations and amendments accurately does not allow for accurate monthly reporting to the Quorum Court.

Sheriff

A review of disbursements from the Sheriff's Communications Facility and Equipment Fund revealed the following:

- Six disbursements totaling \$2,370 with no supporting documentation or documented business purpose.
- Four disbursements totaling \$56,096 that appeared to be for an allowable business purpose but did not have adequate supporting documentation.

Without adequate supporting documentation, the validity of these purchases cannot be determined.

Expenditures from the Sheriff's Communications Facility and Equipment Fund were not all made by prenumbered check, in noncompliance with Ark. Code Ann. § 14-25-104.

Bank reconciliations were not prepared for the Sheriff's Commissary bank account for the months of August through December 2023, as required by Ark. Code Ann. § 14-25-107.

Tax Collector

Cash receipts and disbursements journals were not properly prepared or reconciled to monthly bank statements for the Tax Collector's accounts, in noncompliance with Ark. Code Ann. § 14-25-113. As a result, \$8,611 of unidentified tax funds remained in the Tax Collector's bank accounts at year-end and were not paid to the County Treasurer on the first of each month or within 10 working days, in noncompliance with Ark. Code Ann. § 26-39-201.

County Judge and County Clerk

The Sheriff/Tax Collector received \$3,594 more in salary payments than the amount appropriated by ordinance, in noncompliance with Ark. Code Ann. § 14-14-1204. This amount included \$1,961 for Sheriff duties and \$1,633 for Tax Collector duties. Due to lack of Quorum Court approval, we could not verify the validity of the pay increases.

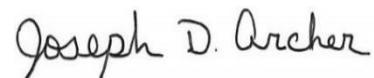
Our review of payroll records revealed the County provides a uniform allowance for employees in the Sheriff's Office and Jail. While these allowances are included in the budget and providing them is a longstanding practice, the County does not have a written policy identifying eligible personnel or allowance amount.

Invoices were not always paid timely. As a result, the County incurred late payment fees and finance charges totaling \$3,486.

The County did not establish by ordinance the number and compensation of all County officers and employees in noncompliance with Ark. Code Ann. § 14-14-1206.

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



Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
June 30, 2025

OUACHITA COUNTY, ARKANSAS
 BALANCE SHEET - REGULATORY BASIS
 DECEMBER 31, 2023

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 6,793,731	\$ 568,315	\$ 8,046,613
Accounts receivable	202,123	17,312	196,796
Interfund receivables			43,023
TOTAL ASSETS	\$ 6,995,854	\$ 585,627	\$ 8,286,432
LIABILITIES AND FUND BALANCES			
Liabilities:			
Interfund payables			\$ 43,023
Settlements pending			1,832,710
Total Liabilities			<u>1,875,733</u>
Fund Balances:			
Restricted		\$ 141,597	6,233,222
Committed	\$ 1,047,417		8,666
Assigned	2,069,442	444,030	168,811
Unassigned	3,878,995		
Total Fund Balances	<u>6,995,854</u>	<u>585,627</u>	<u>6,410,699</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,995,854	\$ 585,627	\$ 8,286,432

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

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

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 876,537	\$ 2,324,108	\$ 73,920
Federal aid	73,837	101,608	
Property taxes	1,339,764	534,684	62,525
Sales taxes	1,560,548		4,139,333
Fines, forfeitures, and costs	244,354		91,616
Interest	62,976	6,599	65,635
Officers' fees	106,450		73,056
911 fees			401,219
Jail fees			1,368,693
Sanitation fees	53,740		
Lease income	154,879		
Treasurer's commission	166,138		28,496
Collector's commission	328,688		49,983
Taxes apportioned - Assessor's salary and expense	412,145		
Other	<u>149,413</u>	<u>43,888</u>	<u>297,762</u>
TOTAL REVENUES	5,529,469	3,010,887	6,652,238
Less: Treasurer's commission	<u>55,701</u>	<u>40,165</u>	<u>68,587</u>
NET REVENUES	<u>5,473,768</u>	<u>2,970,722</u>	<u>6,583,651</u>
EXPENDITURES			
Current:			
General government	2,662,340		231,241
Law enforcement	596,264		5,767,826
Highways and streets	100,000	3,239,826	405,656
Public safety	119,740		332,014
Sanitation	1,443,931		55,738
Health	130,722		1,613
Recreation and culture			190,629
Social services	<u>49,789</u>		
Total Current	<u>5,102,786</u>	<u>3,239,826</u>	<u>6,984,717</u>
Debt Service:			
Bond principal			445,000
Bond interest and other charges			237,974
Financed purchase principal		196,396	
Financed purchase interest		<u>28,194</u>	
TOTAL EXPENDITURES	<u>5,102,786</u>	<u>3,464,416</u>	<u>7,667,691</u>

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

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 370,982</u>	<u>\$ (493,694)</u>	<u>\$ (1,084,040)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,484,139	100,000	3,146,067
Transfers out	(125,000)		(4,605,206)
Contribution from City of Camden for Library			102,309
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,359,139</u>	<u>100,000</u>	<u>(1,356,830)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>1,730,121</u>	<u>(393,694)</u>	<u>(2,440,870)</u>
FUND BALANCES - JANUARY 1	<u>5,265,733</u>	<u>979,321</u>	<u>8,851,569</u>
FUND BALANCES - DECEMBER 31	<u>\$ 6,995,854</u>	<u>\$ 585,627</u>	<u>\$ 6,410,699</u>

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

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

	General			Road		
			Variance			Variance
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
REVENUES						
State aid	\$ 806,055	\$ 876,537	\$ 70,482	\$ 2,104,491	\$ 2,324,108	\$ 219,617
Federal aid		73,837	73,837		299,548	101,608
Property taxes	937,335	1,339,764	402,429		438,728	534,684
Sales taxes	1,537,753	1,560,548	22,795			
Fines, forfeitures, and costs	238,591	244,354	5,763			
Interest	15,755	62,976	47,221	2,945	6,599	3,654
Officers' fees	103,914	106,450	2,536			
Sanitation fees	55,479	53,740	(1,739)		7,424	
Lease income		154,879	154,879			
Treasurer's commission		166,138	166,138			
Collector's commission	357,835	328,688	(29,147)			
Taxes apportioned - Assessor's salary and expense	441,029	412,145	(28,884)			
Other	383,968	149,413	(234,555)	79,592	43,888	(35,704)
TOTAL REVENUES	4,877,714	5,529,469	651,755	2,932,728	3,010,887	78,159
Less: Treasurer's commission		55,701	(55,701)		40,165	(40,165)
NET REVENUES	4,877,714	5,473,768	596,054	2,932,728	2,970,722	37,994
EXPENDITURES						
Current:						
General government	3,465,933	2,662,340	803,593			
Law enforcement	717,372	596,264	121,108			
Highways and streets	10,000	100,000	(90,000)	3,896,061	3,239,826	656,235
Public safety	143,905	119,740	24,165			
Sanitation	1,707,582	1,443,931	263,651			
Health	349,971	130,722	219,249			
Social services	67,520	49,789	17,731			
Total Current	6,462,283	5,102,786	1,359,497	3,896,061	3,239,826	656,235
Debt Service:						
Financed purchase principal					196,396	(196,396)
Financed purchase interest					28,194	(28,194)
TOTAL EXPENDITURES	6,462,283	5,102,786	1,359,497	3,896,061	3,464,416	431,645

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

Exhibit C

	General			Road		
			Variance			Variance
	Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (1,584,569)</u>	<u>\$ 370,982</u>	<u>\$ 1,955,551</u>	<u>\$ (963,333)</u>	<u>\$ (493,694)</u>	<u>\$ 469,639</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	2,307,402	1,484,139	(823,263)	1,195,969	100,000	(1,095,969)
Transfers out	<u>(550,000)</u>	<u>(125,000)</u>	<u>425,000</u>	<u>(10,000)</u>		<u>10,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,757,402</u>	<u>1,359,139</u>	<u>(398,263)</u>	<u>1,185,969</u>	<u>100,000</u>	<u>(1,085,969)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	172,833	1,730,121	1,557,288	222,636	(393,694)	(616,330)
FUND BALANCES - JANUARY 1	<u>4,110,845</u>	<u>5,265,733</u>	<u>1,154,888</u>	<u>641,486</u>	<u>979,321</u>	<u>337,835</u>
FUND BALANCES - DECEMBER 31	<u>\$ 4,283,678</u>	<u>\$ 6,995,854</u>	<u>\$ 2,712,176</u>	<u>\$ 864,122</u>	<u>\$ 585,627</u>	<u>\$ (278,495)</u>

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

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 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.

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.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

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 and savings accounts, certificates of deposit, and short-term investments with an original maturity of three months or less.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, excess commissions, property tax, officer's fees, and funds held in trust 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.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1: Summary of Significant Accounting Policies (Continued)

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.

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)	\$ 3,008,689	\$ 2,996,836
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the County's name	<u>12,398,392</u>	<u>13,140,304</u>
Total Deposits	<u>\$ 15,407,081</u>	<u>\$ 16,137,140</u>

The above total deposits do not include cash on hand of \$1,578.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

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: Accounts Receivable

The accounts receivable balance at December 31, 2023, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 395		\$ 17,658
Fines, forfeitures, and costs	895		1,095
Interest	104		
Officers' fees	7,502		4,815
Jail fees			119,330
Sanitation fees	816		
Treasurer's commission	166,138		28,496
Other	<u>26,273</u>	<u>\$ 17,312</u>	<u>25,402</u>
Totals	<u>\$ 202,123</u>	<u>\$ 17,312</u>	<u>\$ 196,796</u>

NOTE 5: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2023	
	Interfund Receivables	Interfund Payables
Other Funds in the Aggregate:		
Special Revenue Funds:		
Communication Facility and Equipment	\$ 43,023	
Jail Operation and Maintenance		\$ 43,023
Totals	<u>\$ 43,023</u>	<u>\$ 43,023</u>

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

NOTE 6: Federal Funds Program Compliance

The 2023, 2022, and 2021 federal grants have not yet received a compliance audit in accordance with federal program requirements and therefore, any instances of noncompliance with federal grant requirements have not been determined. As of the report date, the County has contracted for an audit of these funds for 2022 and 2021. Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the City.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 2,121,159
Law enforcement			2,238,447
Highw ays and streets	\$ 141,597		
Public safety			944,347
Recreation and culture			255,564
Debt service			673,705
Total Restricted	<u>141,597</u>		<u>6,233,222</u>
Committed for:			
General government	\$ 962,205		
Law enforcement	47,833		8,666
Highw ays and streets	<u>37,379</u>		
Total Committed	<u>1,047,417</u>		<u>8,666</u>
Assigned to:			
General government			
Law enforcement	6,100		160,665
Highw ays and streets		444,030	
Public safety			8,146
Sanitation	280,824		
Health	<u>1,782,518</u>		
Total Assigned	<u>2,069,442</u>	<u>444,030</u>	<u>168,811</u>
Unassigned	<u>3,878,995</u>		
Totals	<u>\$ 6,995,854</u>	<u>\$ 585,627</u>	<u>\$ 6,410,699</u>

NOTE 8: 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, 2023, the legal debt limit for bonded debt was \$24,456,079. 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, 2023, the legal debt limit for short-term financing obligations was \$7,387,911. The amount of short-term financing obligations was \$788,719 leaving a legal debt margin of \$6,599,192.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9: Commitments

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

	December 31, 2023
Long-term liabilities	\$ 8,938,719
Reappraisal contract	<u>397,056</u>
Total Commitments	<u>\$ 9,335,775</u>

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9: Commitments (Continued)

Long-term Liabilities

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

December 31,
2023

Bonds

2019 Series Sales and Use Tax Refunding Bonds, issued November 14, 2019, in the amount of \$7,430,000, due in annual installments of \$235,000 - \$510,000 plus interest through August 1, 2038; interest of 1.70% - 3.00%. Payments are to be made from the Jail Refunding Bonds, Series 2019 Debt Service Fund.

\$ 6,230,000

2021 Series Sales and Use Tax Refunding Bonds, issued January 20, 2021, in the amount of \$2,210,000 due in annual installments of \$290,000 - \$525,000 plus interest through August 1, 2038; interest of .80% - 2.25%. Payments are to be made from the Jail Refunding Bonds, Series 2021 Debt Service Fund.

1,920,000
8,150,000

Total Bonds

Direct Borrowings

Financed purchase agreement, dated December 14, 2021, in the amount of \$372,400, with Cadence Equipment Finance for the purchase of four (4) 2018 Mack Dump Trucks, 36 monthly payments of \$5,751 beginning January 14, 2022, with interest of 2.41% with one final payment of \$186,200 plus interest. Payments are to be made from the Road Fund.

244,271

Financed purchase agreement, dated May 19, 2022, in the amount of \$197,516, with John Deere Financial for the purchase of one (1) John Deere 670G Motor Grader, 3 annual payments of \$71,140 beginning January 19, 2023, with interest of 4.7%. Payments are to be made from the Road Fund.

132,650

Financed purchase agreement, dated September 29, 2022, in the amount of \$181,078, with John Deere Financial for the purchase of one (1) John Deere 6110M Cab Tractor with Alamo Samurai-22 rotary cutters, 60 monthly payments of \$3,438 beginning October 29, 2022, with interest of 5.25%. Payments are to be made from the Road Fund.

140,154

Financed purchase agreement, dated October 13, 2022, in the amount of \$88,078, with John Deere Financial for the purchase of one (1) John Deere 5100E Cab Utility Tractor with John Deere FC15R flex wing rotary cutter, 36 monthly payments of \$2,702 beginning October 13, 2022, with interest of 6.95%. Payments are to be made from the Road Fund.

50,888

Financed purchase agreement, dated November 10, 2023, in the amount of \$224,300, with Cadence Equipment Finance for the purchase of one (1) 2024 Western Star 4700X Tractor/Truck, 24 monthly payments of \$4,625 beginning December 10, 2023, with interest of 5.78% with one final payment of \$135,000 plus interest. Payments are to be made from the Road Fund.

220,756

Total Direct Borrowings

788,719

Total Long-term liabilities

\$ 8,938,719

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

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9: Commitments (Continued)

Long-term Liabilities (Continued)

The County's outstanding bonds payable of \$8,150,000 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 \$788,719 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.

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	Debt Outstanding	Maturities to
			Authorized and Issued	December 31, 2023	December 31, 2023
<u>Bonds</u>					
11/14/19	8/1/38	1.70 - 3.00%	\$ 7,430,000	\$ 6,230,000	\$ 1,200,000
1/20/21	8/1/38	0.80 - 2.25%	2,210,000	1,920,000	290,000
Total Bonds			<u>9,640,000</u>	<u>8,150,000</u>	<u>1,490,000</u>
<u>Direct Borrowings</u>					
12/14/21	1/14/25	2.41%	372,400	244,271	128,129
5/19/22	5/19/25	4.70%	197,516	132,650	64,866
9/29/22	9/29/27	5.25%	181,078	140,154	40,924
10/13/22	10/13/25	6.95%	88,078	50,888	37,190
11/10/23	12/10/25	5.78%	224,300	220,756	3,544
Total Direct Borrowings			<u>1,063,372</u>	<u>788,719</u>	<u>274,653</u>
Total Long-Term Debt			<u>\$ 10,703,372</u>	<u>\$ 8,938,719</u>	<u>\$ 1,764,653</u>

Changes in Long-Term Debt

	Balance		Balance
	January 01, 2023	Issued	Retired
			December 31, 2023
Bonds payable	\$ 8,595,000	\$ 0	\$ 445,000
			<u>\$ 8,150,000</u>
<u>Direct Borrowings</u>			
Financed purchases	<u>760,815</u>	<u>224,300</u>	<u>196,396</u>
			<u>788,719</u>
Total Long-Term Debt	<u>\$ 9,355,815</u>	<u>\$ 224,300</u>	<u>\$ 641,396</u>
			<u>\$ 8,938,719</u>

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9: Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 450,000	\$ 223,413	\$ 673,413	\$ 229,086	\$ 31,784	\$ 260,870
2025	455,000	215,512	670,512	490,797	17,981	508,778
2026	470,000	204,163	674,163	38,560	2,695	41,255
2027	490,000	190,662	680,662	30,276	666	30,942
2028	495,000	176,588	671,588			
2029 through 2033	2,725,000	663,287	3,388,287			
2034 through 2038	<u>3,065,000</u>	<u>254,350</u>	<u>3,319,350</u>			
Totals	<u>\$ 8,150,000</u>	<u>\$ 1,927,975</u>	<u>\$ 10,077,975</u>	<u>\$ 788,719</u>	<u>\$ 53,126</u>	<u>\$ 841,845</u>

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on January 1, 2021, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$16,544 for a total of \$992,640 beginning January 15, 2021. Contract expense for 2023 was \$198,528.

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

Year	December 31, 2023
2024	\$ 198,528
2025	<u>198,528</u>
Total	<u>\$ 397,056</u>

NOTE 10: Pledged Revenues

Jail Refunding Bonds, Series 2019

The County pledged future 1% sales and use taxes to repay \$7,430,000 in sales and use tax refunding bonds that were issued in 2019 to refund a 2008 bond issue that was used to provide funding for construction of a county jail complex. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for other County law enforcement purposes.

Total principal and interest remaining on the bonds were \$6,230,000 and \$1,589,150, respectively, payable through August 1, 2038. For 2023, principal and interest paid were \$330,000 and \$190,100, respectively. The Jail Refunding Bonds, Series 2019 Debt Service Fund received \$3,648,376 in sales taxes in 2023.

Jail Refunding Bonds, Series 2021

The County pledged future 1% sales and use taxes to repay \$2,210,000 in sales and use tax refunding bonds that were issued in 2021 to refund a 2015 bond issue that was used to provide funding for construction of a county jail complex. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for other County law enforcement purposes.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 10: Pledged Revenues (Continued)

Total principal and interest remaining on the bonds were \$1,920,000 and \$338,825, respectively, payable through August 1, 2038. For 2023, principal and interest paid were \$115,000 and \$40,833, respectively. The Jail Refunding Bonds, Series 2021 Debt Service Fund received \$157,224 in sales taxes in 2023.

NOTE 11: Interfund Transfers

The General Fund transferred \$100,000 to the Road Fund and \$25,000 to Other Funds in the Aggregate (Drug Enforcement - \$5,000 and Public Defender - \$20,000) for operating purposes. The Other Funds in the Aggregate (Jail Operation & Maintenance) transferred \$75,000 to the General Fund to refund prior year transfers. Additionally, Other Funds in the Aggregate (Debt Service) transferred excess sales taxes of \$1,409,139 to the General Fund for hospital operations. Within the Other Funds in the Aggregate, Debt Service Funds transferred excess sales taxes of \$3,121,067 to the Jail Operation and Maintenance Fund for operating purposes.

NOTE 12: Joint Venture: Camden-Ouachita County Library

The Camden Library Commission and Ouachita County entered into an agreement in January 1954 in accordance with Ark. Code Ann. § 13-2-401 to establish the Camden-Ouachita County Library. The agreement states that all funds, income, and properties of the City and County, which are levied for library purposes together with all funds received from any source by either the City or County, shall be pooled and made available for the joint preservation of the City-County library system under the management and control of the City-County Library Board. The County Library paid \$190,629 for Camden-Ouachita County Library expenditures in 2023. The City of Camden paid Ouachita County \$102,309 in 2023 for these purposes. Contact the Camden-Ouachita County Library at 405 Cash Rd SW, Camden, Arkansas to obtain financial statements. The Camden-Ouachita County Library is presented in this report under the Other Funds in the Aggregate as a special revenue fund.

NOTE 13: Jointly Governed Organization – Thirteenth Judicial District Drug Task Force

The Prosecuting Attorney's Office of the Thirteenth Judicial District, the Sheriffs' Departments of Calhoun, Cleveland, Columbia, Dallas, Ouachita, and Union Counties, and the Police Departments of Camden, El Dorado, Fordyce, Hampton, Magnolia, Rison, and Smackover entered into an agreement to establish the Thirteenth Judicial District Drug Task Force. The agreement covers the period July 1, 2023 – June 30, 2024, and may be extended upon written mutual agreement. Funding is provided through a Drug Law Enforcement Program grant, applied for by the Prosecuting Attorney of the Thirteenth Judicial District. No contributions or payment for expenditure were made to the Thirteenth Judicial District Drug Task Force by the County. The 2023 financial statements of the Thirteenth Judicial District Drug Task Force have not been audited.

NOTE 14: 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.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 14: Risk Management (Continued)

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 15: Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.5% as of July 1, 2023. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2023, (date of APERS Employer Allocation Report) were \$910,260.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2023, (actuarial valuation date and measurement date) was \$7,812,194.

OUACHITA COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 16: Assignment and Lease of Ouachita County Hospital Facilities

Ouachita County Ordinance No. 94-44 (October 14, 1994) authorized the assignment and lease of the Ouachita County Hospital to Ouachita County Medical Center, an Arkansas nonprofit corporation. The lease was signed by both parties on November 16, 1994. The lease stipulates that Ouachita County Medical Center shall lease the hospital facilities and grounds for twenty-five (25) years and shall have the option to renew the lease for two (2) successive terms of twenty-five (25) years each. Ouachita County Medical Center assumes all rights and responsibilities for the operation of the hospital and related ancillary facilities. At the expiration or sooner termination of the lease agreement, all additional structures constructed on the lease premises and all capitalized equipment, furniture, appliance, and apparition purchased by Ouachita County Medical Center for use on the lease premises shall become property of Ouachita County.

NOTE 17: Arkansas Department of Human Services Lease

Effective July 26, 2011, the County entered into a lease agreement with the Department of Human Services (Lessee) a department of Arkansas state government. Under the terms of the agreement, the Lessee agreed to lease the County's office building located at 222 Van Buren Street NW, Camden, Arkansas for a term of two years beginning October 1, 2011, for \$12,654 a month. The agreement provides that the Lessee may extend the lease not more than 90 days upon the same terms by written notice to the County. On October 28, 2021, the lease agreement was amended to extend the original lease term for an additional two years through December 31, 2023, for \$12,907 a month. On September 11, 2023, the lease agreement was extended for an additional two years through December 31, 2025, for the same terms. The County received \$154,879 during 2023.

NOTE 18: Corona Virus (COVID-19)

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

OUACHITA COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023

Schedule 1

SPECIAL REVENUE FUNDS										
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	County Clerk Operating	Child Support Cost	
ASSETS										
Cash and cash equivalents	\$ 200,551	\$ 226,935	\$ 145,229	\$ 27,528	\$ 14,396	\$ 261,584	\$ 242,906	\$ 2,343	\$ 4,484	
Accounts receivable	28,496		280		233	4,519		14		
Interfund receivables										
TOTAL ASSETS	\$ 229,047	\$ 226,935	\$ 145,509	\$ 27,528	\$ 14,629	\$ 266,103	\$ 242,906	\$ 2,357	\$ 4,484	
LIABILITIES AND FUND BALANCES										
Liabilities:										
Interfund payables										
Settlements pending										
Total Liabilities										
Fund Balances:										
Restricted	\$ 229,047	\$ 226,935	\$ 145,509	\$ 27,528	\$ 14,629	\$ 266,103	\$ 242,906	\$ 2,357	\$ 4,484	
Committed										
Assigned										
Total Fund Balances	229,047	226,935	145,509	27,528	14,629	266,103	242,906	2,357	4,484	
TOTAL LIABILITIES AND FUND BALANCES	\$ 229,047	\$ 226,935	\$ 145,509	\$ 27,528	\$ 14,629	\$ 266,103	\$ 242,906	\$ 2,357	\$ 4,484	

OUACHITA COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023

Schedule 1

SPECIAL REVENUE FUNDS										
	CMRS 911 Board (Commercial Mobile Radio Service)									
	Jail Operation and Maintenance		Boating Safety and Enforcement		Public Defender		Victim/Witness		Indigent Defense	
ASSETS										
Cash and cash equivalents	\$ 53,467	\$ 1,452,159	\$ 39,143	\$ 913,350	\$ 10,665	\$ 147,953	\$ 61,934	\$ 33,675	\$ 5,485	\$ 74,256
Accounts receivable	100	144,931					11			
Interfund receivables										
TOTAL ASSETS	\$ 53,567	\$ 1,597,090	\$ 39,143	\$ 913,350	\$ 10,665	\$ 147,953	\$ 61,945	\$ 39,160		\$ 74,256
LIABILITIES AND FUND BALANCES										
Liabilities:										
Interfund payables		\$ 43,023								
Settlements pending										
Total Liabilities		43,023								
Fund Balances:										
Restricted	\$ 53,567	1,404,067	\$ 39,143	\$ 905,204		\$ 147,953	\$ 61,945	\$ 39,160		\$ 74,256
Committed										
Assigned		150,000		8,146	\$ 10,665					
Total Fund Balances	53,567	1,554,067	39,143	913,350	10,665	147,953	61,945	39,160		74,256
TOTAL LIABILITIES AND FUND BALANCES	\$ 53,567	\$ 1,597,090	\$ 39,143	\$ 913,350	\$ 10,665	\$ 147,953	\$ 61,945	\$ 39,160		\$ 74,256

OUACHITA COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023

Schedule 1

SPECIAL REVENUE FUNDS													
	Circuit Clerk Commissioner's Fee		Drug Enforcement		Assessor's Late Assessment Fee		American Rescue Plan Act		Automated Record System Grant		Braxton Lake Grant	Communication Facility and Equipment	
ASSETS													
Cash and cash equivalents	\$ 3,752		\$ 8,666		\$ 7,790		\$ 1,338,484		\$ 229,860		\$ 21,176	\$ 17,912	
Accounts receivable		50							19				
Interfund receivables												43,023	
TOTAL ASSETS	\$ 3,802		\$ 8,666		\$ 7,790		\$ 1,338,484		\$ 229,879		\$ 21,176	\$ 12,658	\$ 60,935
LIABILITIES AND FUND BALANCES													
Liabilities:													
Interfund payables													
Settlements pending													
Total Liabilities													
Fund Balances:													
Restricted	\$ 3,802				\$ 7,790		\$ 1,338,484		\$ 229,879		\$ 21,176	\$ 12,658	\$ 60,935
Committed					\$ 8,666								
Assigned													
Total Fund Balances	3,802		8,666		7,790		1,338,484		229,879		21,176	12,658	60,935
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,802		\$ 8,666		\$ 7,790		\$ 1,338,484		\$ 229,879		\$ 21,176	\$ 12,658	\$ 60,935

OUACHITA COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023

Schedule 1

	DEBT SERVICE FUNDS			CUSTODIAL FUNDS				Totals
	Jail Refunding Bonds, Series 2019	Jail Refunding Bonds, Series 2021	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	
ASSETS								
Cash and cash equivalents	\$ 518,597	\$ 155,108	\$ 314,547	\$ 157,588	\$ 403,849	\$ 103,386	\$ 853,340	\$ 8,046,613
Accounts receivable								196,796
Interfund receivables								43,023
TOTAL ASSETS	\$ 518,597	\$ 155,108	\$ 314,547	\$ 157,588	\$ 403,849	\$ 103,386	\$ 853,340	\$ 8,286,432
LIABILITIES AND FUND BALANCES								
Liabilities:								
Interfund payables								\$ 43,023
Settlements pending			\$ 314,547	\$ 157,588	\$ 403,849	\$ 103,386	\$ 853,340	1,832,710
Total Liabilities			<u>314,547</u>	<u>157,588</u>	<u>403,849</u>	<u>103,386</u>	<u>853,340</u>	<u>1,875,733</u>
Fund Balances:								
Restricted	\$ 518,597	\$ 155,108						6,233,222
Committed								8,666
Assigned								168,811
Total Fund Balances	<u>518,597</u>	<u>155,108</u>						<u>6,410,699</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 518,597	\$ 155,108	\$ 314,547	\$ 157,588	\$ 403,849	\$ 103,386	\$ 853,340	\$ 8,286,432

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

Schedule 2

SPECIAL REVENUE FUNDS										
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	County Clerk Operating	Child Support Cost	
REVENUES										
State aid										
Property taxes										
Sales taxes										
Fines, forfeitures, and costs										
Interest	\$ 1,413	\$ 1,503	\$ 7,905	\$ 8,013						
Officers' fees			\$ 1,124							
911 fees										
Jail fees										
Treasurer's commission			28,496							
Collector's commission				49,983						
Other										
TOTAL REVENUES	29,912	51,489	9,077	8,344	3,008	65,793	115,065	233	535	
Less: Treasurer's commission	<u>28</u>	<u>30</u>	<u>193</u>	<u>166</u>	<u>60</u>	<u>32</u>	<u>4,297</u>	<u>5</u>	<u>9</u>	
NET REVENUES	29,884	51,459	8,884	8,178	2,948	65,761	110,768	228	526	
EXPENDITURES										
Current:										
General government	9,596	54,986		15,550	3,661	39,444				
Law enforcement			843							
Highways and streets										
Public safety										
Sanitation										
Health										
Recreation and culture										
Total Current	<u>9,596</u>	<u>54,986</u>	<u>843</u>	<u>15,550</u>	<u>3,661</u>	<u>39,444</u>	<u>190,629</u>	<u>190,629</u>		
Debt Service:										
Bond principal										
Bond interest and other charges										
TOTAL EXPENDITURES	9,596	54,986	843	15,550	3,661	39,444	190,629			
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	20,288	(3,527)	8,041	(7,372)	(713)	26,317	(79,861)	228	526	
OTHER FINANCING SOURCES (USES)										
Transfers in										
Transfers out										
Contribution from City of Camden for Library										
TOTAL OTHER FINANCING SOURCES (USES)										
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	20,288	(3,527)	8,041	(7,372)	(713)	26,317	22,448	228	526	
FUND BALANCES - JANUARY 1	208,759	230,462	137,468	34,900	15,342	239,786	220,458	2,129	3,958	
FUND BALANCES - DECEMBER 31	\$ 229,047	\$ 226,935	\$ 145,509	\$ 27,528	\$ 14,629	\$ 266,103	\$ 242,906	\$ 2,357	\$ 4,484	

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

Schedule 2

	SPECIAL REVENUE FUNDS									Circuit Court Juvenile Division		
	Drug Control		Jail Operation and Maintenance		Boating Safety and Enforcement		CMRS 911 Board (Commercial Mobile Radio Service)		Public Defender			
REVENUES												
State aid												
Property taxes												
Sales taxes												
Fines, forfeitures, and costs	\$ 3,927	\$ 24,714		\$ 2,372				\$ 1,612		\$ 5,000		
Interest		\$ 13,637								\$ 10,000		
Officers' fees												
911 fees												
Jail fees												
Treasurer's commission												
Collector's commission												
Other	6	252,907		11		1,726		14		9		
TOTAL REVENUES	3,933	1,524,514		2,705		408,467		4,644		7,776		
Less: Treasurer's commission	81	54,733		54		8,141		66		47		
NET REVENUES	3,852	1,469,781		2,651		400,326		4,578		7,729		
EXPENDITURES												
Current:												
General government												
Law enforcement												
Highways and streets												
Public safety												
Sanitation												
Health												
Recreation and culture												
Total Current		5,372,496		4,501		252,813		33,686		12,044		
Debt Service:												
Bond principal												
Bond interest and other charges												
TOTAL EXPENDITURES		5,372,496		4,501		252,813		33,686		12,044		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,852	(3,902,715)		(1,850)		147,513		(29,108)		(4,315)		
OTHER FINANCING SOURCES (USES)												
Transfers in												
Transfers out												
Contribution from City of Camden for Library												
TOTAL OTHER FINANCING SOURCES (USES)		3,046,067						20,000				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,852	(856,648)		(1,850)		147,513		(9,108)		11,420		
FUND BALANCES - JANUARY 1	49,715	2,410,715		40,993		765,837		19,773		54,570		
FUND BALANCES - DECEMBER 31	\$ 53,567	\$ 1,554,067		\$ 39,143		\$ 913,350		\$ 10,665		\$ 43,475		
										\$ 62,836		
										\$ 74,256		

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

Schedule 2

	SPECIAL REVENUE FUNDS							
	Circuit Clerk Commissioner's Fee	Drug Enforcement	Assessor's Late Assessment Fee	American Rescue Plan Act	Law Library	Automated Record System Grant	Bragg Lake Grant	Communication Facility and Equipment
REVENUES								
State aid								
Property taxes								
Sales taxes								
Fines, forfeitures, and costs								
Interest	\$ 39	\$ 34	\$ 1,746			\$ 24,102		\$ 111
Officers' fees								
911 fees		\$ 377						4,020
Jail fees								
Treasurer's commission								135,437
Collector's commission								
Other						91		
TOTAL REVENUES	416	34	1,746			24,193	24,344	12,658
Less: Treasurer's commission	1	1				67		
NET REVENUES	415	33	1,746			24,126	24,344	12,658
EXPENDITURES								
Current:								
General government						\$ 103,369		3,168
Law enforcement						227,694	2,000	
Highways and streets						405,656		
Public safety						74,700		
Sanitation						55,738		
Health						1,613		
Recreation and culture								
Total Current	1,467	3,099				868,770	2,000	3,168
Debt Service:								
Bond principal								
Bond interest and other charges								
TOTAL EXPENDITURES	1,467	3,099				868,770	2,000	3,168
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,052)	(3,066)	1,746	(868,770)		22,126	21,176	12,658
OTHER FINANCING SOURCES (USES)								
Transfers in			5,000					
Transfers out								
Contribution from City of Camden for Library								
TOTAL OTHER FINANCING SOURCES (USES)			5,000					
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,052)	1,934	1,746	(868,770)		22,126	21,176	12,658
FUND BALANCES - JANUARY 1	4,854	6,732	6,044	2,207,254		207,753		
FUND BALANCES - DECEMBER 31	\$ 3,802	\$ 8,666	\$ 7,790	\$ 1,338,484		\$ 229,879	\$ 21,176	\$ 12,658
								\$ 60,935

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

Schedule 2

	DEBT SERVICE FUNDS			
	<u>2015 Hospital Construction and Refunding Bonds</u>	<u>Jail Refunding Bonds, Series 2019</u>	<u>Jail Refunding Bonds, Series 2021</u>	<u>Totals</u>
	\$	\$	\$	\$
REVENUES				
State aid				\$ 73,920
Property taxes				62,525
Sales taxes	\$ 333,733	\$ 3,648,376	\$ 157,224	4,139,333
Fines, forfeitures, and costs				91,616
Interest	6,517	22,457	6,760	65,635
Officers' fees				73,056
911 fees				401,219
Jail fees				1,368,693
Treasurer's commission				28,496
Collector's commission				49,983
Other				297,762
TOTAL REVENUES	340,250	3,670,833	163,984	6,652,238
Less: Treasurer's commission				68,587
NET REVENUES	340,250	3,670,833	163,984	6,583,651
EXPENDITURES				
Current:				
General government				231,241
Law enforcement				5,767,826
Highways and streets				405,656
Public safety				332,014
Sanitation				55,738
Health				1,613
Recreation and culture				190,629
Total Current				6,984,717
Debt Service:				
Bond principal	330,000	115,000	445,000	
Bond interest and other charges	194,912	43,062	237,974	
TOTAL EXPENDITURES	524,912	158,062	7,667,691	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	340,250	3,145,921	5,922	(1,084,040)
OTHER FINANCING SOURCES (USES)				
Transfers in				3,146,067
Transfers out	(1,409,139)	(3,121,067)		(4,605,206)
Contribution from City of Camden for Library				102,309
TOTAL OTHER FINANCING SOURCES (USES)	(1,409,139)	(3,121,067)		(1,356,830)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,068,889)	24,854	5,922	(2,440,870)
FUND BALANCES - JANUARY 1	1,068,889	493,743	149,186	8,851,569
FUND BALANCES - DECEMBER 31	\$ 0	\$ 518,597	\$ 155,108	\$ 6,410,699

OUACHITA COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for County Clerk's cost.
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. Ouachita County Ordinance no. 92-09 (February 13, 1992) allows any fine in excess of \$250 on misdemeanor convictions and 25% of all fines for felony convictions for drug related charges to be deposited in this fund for the use of the Drug Task Force.

OUACHITA COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
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. Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.
Boating Safety 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.
CMRS 911 Board (Commercial Mobile Radio Service)	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
Public Defender	Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
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.
Indigent 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.
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.
Circuit Court Juvenile Division	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.

OUACHITA COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
Drug Enforcement	Ouachita County Ordinance no. 2016-030 (July 5, 2016) established a drug enforcement fund (pursuant to Ark. Code Ann. § 14-21-201) to be administered by the Sheriff.
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 (SLFR), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Law Library	Ark. Code Ann. §§ 16-23-101 - 105 established fund to receive costs levied on criminal and civil cases to be used for any purpose related to the establishment, maintenance, and operations of a county law library.
Automated Record System Grant	Established to account for a State grant received for the purpose of automation records improvement for the Circuit Clerk's office.
Bragg Lake Grant	Established to account for a State grant received for the purpose of purchasing and installing picnic tables for Bragg City.
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.
2015 Hospital Construction and Refunding Bonds	Ouachita County Ordinance no. 2015-040 (September 1, 2015) provides for the levying of a 1/2 of a percent sales and use tax as approved by referendum on February 10, 2015 to be used solely to retire bonds and authorized the issuance of sales and use tax bonds for the purpose of financing all or a portion of the costs of acquiring, constructing, furnishing, and equipping improvements to the hospital facility including particularly, without limitation, renovations to the emergency and surgery departments as well as to refund Ouachita County Public Faculties Board Healthcare Revenue Bonds, Series 2003.

OUACHITA COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Refunding Bonds, Series 2019	Established pursuant to Ouachita County Ordinance nos. 2019-019 and 2007-028 (October 1, 2019 and October 23, 2007) to receive sales and use tax monies approved by referendum on February 5, 2008 for the purpose of jail construction and law enforcement purposes, and authorized the issuance of sales and use tax bonds.
Jail Refunding Bonds, Series 2021	Established pursuant to Ouachita County Ordinance nos. 2020-030, 2015-024 and 2007-028 (December 8, 2020, June 2, 2015, and October 23, 2007) to receive sales and use tax monies approved by referendum on February 5, 2008 for the purpose of jail construction and law enforcement purposes, and authorized the issuance of sales and use tax bonds.

Treasurer's accounts consist primarily of property taxes and treasurer's commission not distributed to the appropriate agencies.

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

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

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

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

OUACHITA COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2023
(Unaudited)

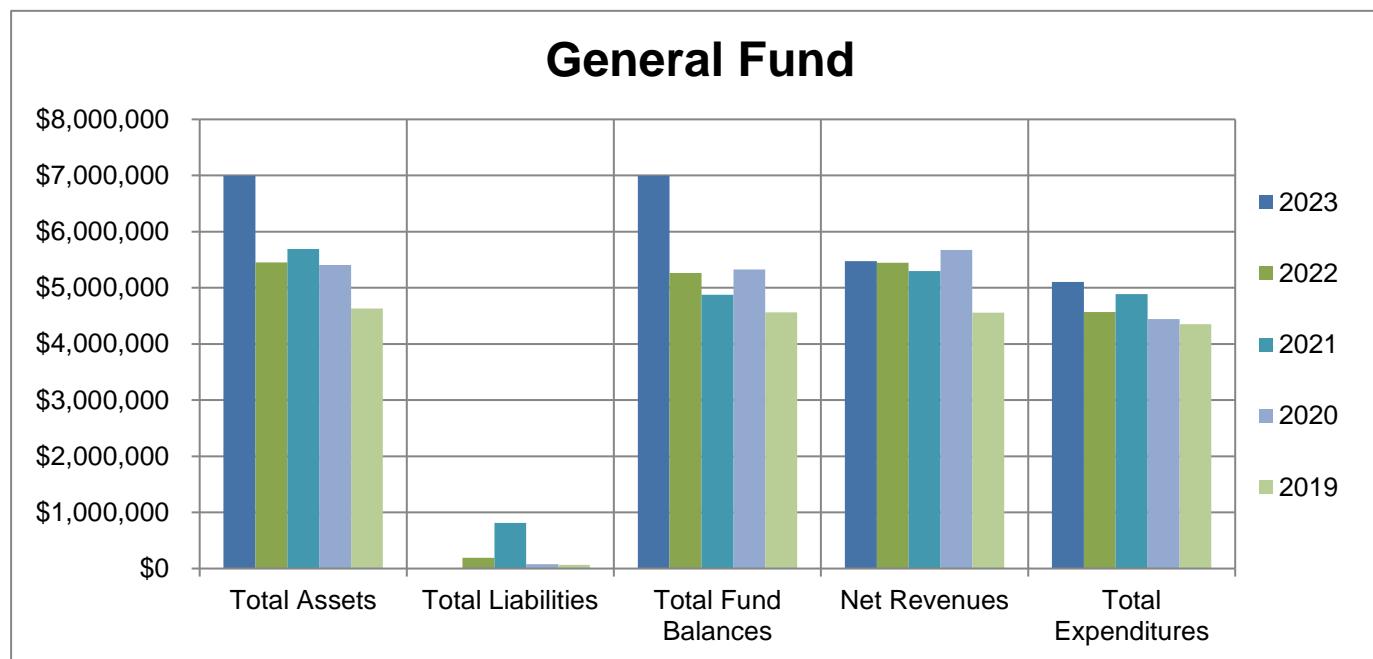
Schedule 3

	December 31, 2023
Land	\$ 541,216
Buildings	28,423,082
Equipment	<u>7,623,833</u>
 Total	 <u>\$ 36,588,131</u>

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

Schedule 4-1

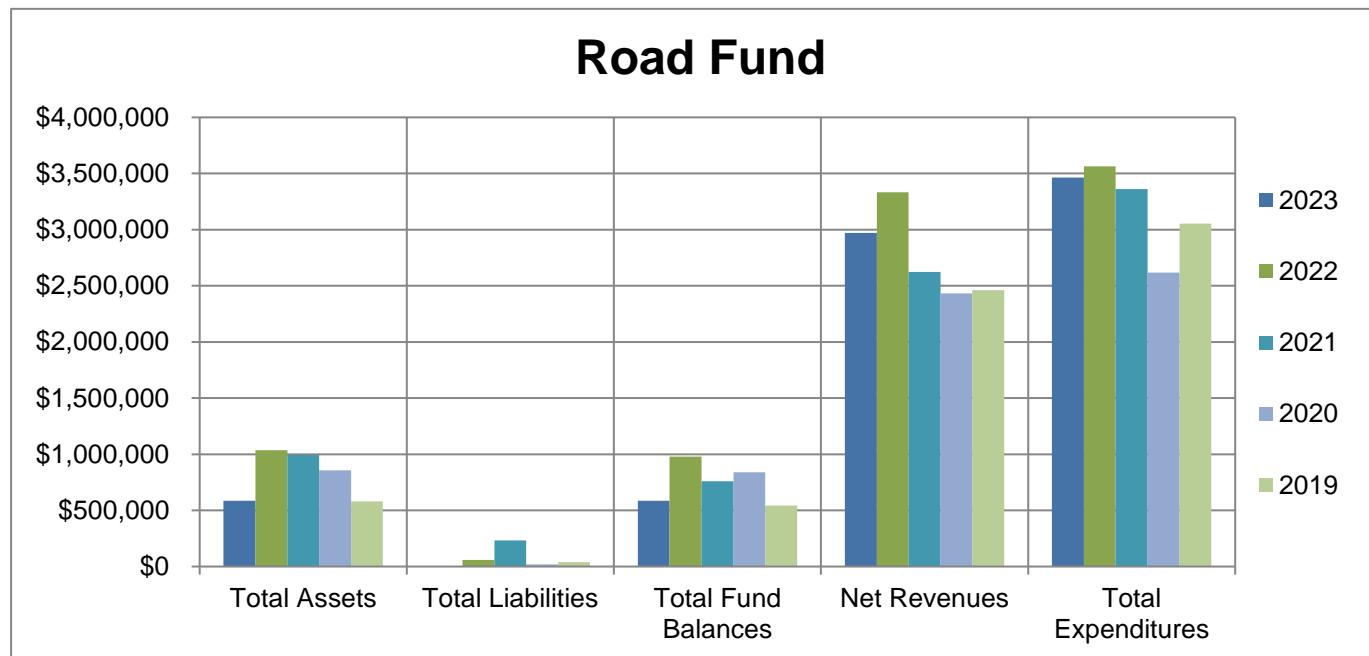
<u>General</u>	2023	2022	2021	2020	2019
Total Assets	\$ 6,995,854	\$ 5,454,624	\$ 5,689,475	\$ 5,405,185	\$ 4,628,705
Total Liabilities		188,891	814,955	78,032	66,094
Total Fund Balances	6,995,854	5,265,733	4,874,520	5,327,153	4,562,611
Net Revenues	5,473,768	5,448,103	5,299,057	5,671,315	4,556,707
Total Expenditures	5,102,786	4,570,776	4,886,506	4,440,443	4,349,667
Total Other Financing Sources/Uses	1,359,139	(486,114)	(865,184)	(465,857)	(430,000)



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

Schedule 4-2

<u>Road</u>	2023	2022	2021	2020	2019
Total Assets	\$ 585,627	\$ 1,036,635	\$ 994,309	\$ 857,328	\$ 581,438
Total Liabilities		57,314	233,797	19,003	37,951
Total Fund Balances	585,627	979,321	760,512	838,325	543,487
Net Revenues	2,970,722	3,332,393	2,623,089	2,433,603	2,460,824
Total Expenditures	3,464,416	3,563,584	3,360,902	2,618,765	3,052,533
Total Other Financing Sources/Uses	100,000	450,000	660,000	480,000	490,000



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

<u>Other Funds in the Aggregate</u>	2023	2022	2021	2020	2019
Total Assets	\$ 8,286,432	\$ 10,763,049	\$ 9,468,114	\$ 7,817,055	\$ 7,912,482
Total Liabilities	1,875,733	1,911,480	2,073,350	1,749,341	2,301,790
Total Fund Balances	6,410,699	8,851,569	7,394,764	6,067,714	5,610,692
Net Revenues	6,583,651	10,044,889	10,269,130	8,316,584	7,737,940
Total Expenditures	7,667,691	8,720,548	9,203,163	8,075,059	8,442,114
Total Other Financing Sources/Uses	(1,356,830)	132,464	261,083	78,220	(62,628)

