Phillips County, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE

PHILLIPS COUNTY, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

Arkansas

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

A priority of Arkansas Legislative Audit is to assist county government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of county governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Phillips County, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated May 11, 2026. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

County Judge: Clark Hall
Treasurer: Santresa Mayfield
Sheriff: Neal Byrd
Tax Collector: Neal Byrd
County Clerk: Shakira Winfield
Circuit Clerk: Tamekia Franklin
Assessor: Jerome Turner
County Librarian: Linda Bennett

We evaluated the County's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

Noncompliance with state law and accepted accounting practices was noted in the offices of **County Judge**, **County Clerk**, and **Sheriff**.

County Judge and County Clerk

From January to May 2024, the two public defenders were paid $12,925. The County Clerk refused to pay expenses after May 2 unless supporting documentation was provided. On December 17, 2024, 15 days after the complaint was filed, a court order was issued stating that $9,048 be paid to the public defenders based on invoices submitted to the Clerk. Upon audit inspection, it was determined that the invoices contained expense categories but not supporting documentation; therefore, we were unable to determine if the claims were for business conducted by the public defenders. At the request of audit staff, the public defenders submitted supporting documentation for claims submitted for three months of 2025. Our review of those three months revealed claims totaling $2,474 were undocumented. In addition, we noted bills for items such as utilities and phone expenses were not prorated between County public defender expenses and a public defender's private business expenses, and based on the invoices reviewed, bills sometimes included past due amounts and/or late fees, which could potentially lead to overpayments.

County Judge

1. An analysis of the County Judge's credit card statements from January 19, 2024 through August 19, 2025, revealed the following purchases for which a business purpose could not be determined:

    - $16,642 in unallowable purchases of 84 gift cards and prepaid debit cards.

    - $18,401 for the following questionable purchases:
        - $9,763 for 145 prepaid phone cards.
        - $1,994 for computers, software, a printer, and office supplies.
        - $1,682 for disposable paper goods.
        - $1,241 for 163 candles and scented wax products, as well as air freshener.
        - $1,177 for laundry detergent, hand soap, and miscellaneous household items.
        - $671 for phone accessories, charging devices, and Apple AirPods.
        - $428 for groceries.
        - $427 for miscellaneous items.
        - $308 for 3 prepaid smart phones.
        - $253 for a vacuum cleaner.
        - $265 for cleaning supplies.
        - $192 for Christmas decor.

    Audit staff could not locate the computers or vacuum at the County's offices.

    We also noted 43 credit card receipts presented for payment of multiple claims, 146 purchases for which adequate supporting documentation was not included with the claim, and 27 receipts that appear to have been manipulated but were included in the claims. Because supporting documentation provided was altered or inadequate, we were unable to determine if these purchases were for legitimate business purposes.

2. Fixed asset records were not properly maintained, as required by Ark. Code Ann. § 14-25-106; beginning balances did not agree with the prior year ending balances, additions and deletions were not accurately recorded. Additionally, 5 of 15 items selected were not made available for sighting. A similar finding was issued in the previous report.

3. The following issues were noted with financed purchase agreements:

    - Lack of proper record keeping resulted in numerous duplicate payments.
    - Expenditures for financed purchases were not classified as principal and interest.
    - Payments were not always made in a timely manner resulting in late charges.

    A similar finding was issued in the previous two reports.

4. The County did not document the proration of insurance across funds. The proration of insurance was not reasonable, resulting in restricted funds being used for unallowable purposes. Road, Justice Complex, Emergency 911, and County Recorder's Cost Funds were overcharged for 2024 and 2023 totaling $59,757, $64,089, $28,036, and $400, respectively. A similar finding was issued in the previous report.

5. The minutes did not document the review of the findings and the action taken by the Court, as required by Ark. Code Ann. § 10-4-418. A similar finding was issued in the previous report.

6. Competitive bids were not solicited or waived for the purchase of culverts and a time clock system totaling $103,019, in noncompliance with Ark. Code Ann. §§ 14-22-101 - 14-22-115.

7. The General and Road Fund expenditures exceeded budgeted appropriations by $510,310 and $377,734, respectively, in noncompliance with Ark. Code Ann. § 14-14-1102.

Sheriff

The balance remaining in the Sheriff's Surety Bond and Service Fee accounts of $56,337 and $7,998, respectively, were not identified or settled as required by Ark. Code Ann. § 16-10-207.

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

ARKANSAS LEGISLATIVE AUDIT

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
May 11, 2026
LOCO05424

Exhibit A

PHILLIPS COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	$ 698,213	$ 1,768,999	$ 3,884,622
Investments			76,030
Accounts receivable	221,206		36,820
TOTAL ASSETS	$ 919,419	$ 1,768,999	$ 3,997,472
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 203,912	$ 248,298	$ 92,582
Settlements pending		1,994	672,129
Total Liabilities	203,912	250,292	764,711
Fund Balances:			
Restricted		1,163,738	3,242,559
Assigned	84,585	354,969	3,257
Unassigned	630,922		(13,055)
Total Fund Balances	715,507	1,518,707	3,232,761
TOTAL LIABILITIES AND FUND BALANCES	$ 919,419	$ 1,768,999	$ 3,997,472

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	$ 478,582	$ 1,628,669	$ 173,626
Federal aid	50,370	2,935	
Property taxes	1,240,351	548,624	223,231
Sales taxes	834,647		1,677,881
Fines, forfeitures, and costs	54,770		57,988
Interest	3,305	2,669	79,845
Officers' fees	18,851		125,923
Net increase (decrease) in fair value of investments			(8,890)
Emergency 911 fees			301,571
Jail fees			516,570
Donations			11,523
Contributions from regional library			8,816
Unclassified			120,204
Treasurer's commission	181,418		20,158
Collector's commission	215,365		47,507
Taxes apportioned - Assessor's salary and expense	363,689		
Other	193,812	25,626	25,673
TOTAL REVENUES	3,635,160	2,208,523	3,381,626
Less: Treasurer's commission	64,885	44,653	47,079
NET REVENUES	3,570,275	2,163,870	3,334,547
EXPENDITURES			
Current:			
General government	2,760,008		251,763
Law enforcement	1,293,530		1,833,939
Highways and streets		2,131,623	
Public safety	47,265		467,773
Health	30,438		
Recreation and culture	22,703		260,399
Social services	13,636		
Total Current	4,167,580	2,131,623	2,813,874
Debt Service:			
Bond principal			355,000
Bond interest and other charges			342,493
Financed purchase principal		287,160	77,407
Financed purchase interest	13,795	80,320	371
TOTAL EXPENDITURES	4,181,375	2,499,103	3,589,145

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ (611,100)	$ (335,233)	$ (254,598)
OTHER FINANCING SOURCES (USES)			
Transfers in	58,780		513,921
Transfers out	(378,539)		(194,162)
TOTAL OTHER FINANCING SOURCES (USES)	(319,759)		319,759
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(930,859)	(335,233)	65,161
FUND BALANCES - JANUARY 1	1,646,366	1,853,940	3,167,600
FUND BALANCES - DECEMBER 31	$ 715,507	$ 1,518,707	$ 3,232,761

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

PHILLIPS 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
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	$ 465,701	$ 478,582	$ 12,881	$ 1,491,462	$ 1,628,669	$ 137,207
Federal aid		50,370	50,370		2,935	2,935
Property taxes	1,127,432	1,240,351	112,919	533,967	548,624	14,657
Sales taxes	766,740	834,647	67,907			
Fines, forfeitures, and costs	47,752	54,770	7,018			
Interest	2,495	3,305	810		2,669	2,669
Officers' fees	32,903	18,851	(14,052)			
Treasurer's commission	199,790	181,418	(18,372)			
Collector's commission	233,391	215,365	(18,026)			
Taxes apportioned - Assessor's salary and expense	399,725	363,689	(36,036)			
Other	37,868	193,812	155,944	2,960	25,626	22,666
TOTAL REVENUES	3,313,797	3,635,160	321,363	2,028,389	2,208,523	180,134
Less: Treasurer's commission		64,885	(64,885)		44,653	(44,653)
NET REVENUES	3,313,797	3,570,275	256,478	2,028,389	2,163,870	135,481
EXPENDITURES						
Current:						
General government	2,319,384	2,760,008	(440,624)			
Law enforcement	1,186,754	1,293,530	(106,776)			
Highways and streets				2,121,369	2,131,623	(10,254)
Public safety	44,000	47,265	(3,265)			
Health	75,000	30,438	44,562			
Recreation and culture	17,000	22,703	(5,703)			
Social services	28,927	13,636	15,291			
Total Current	3,671,065	4,167,580	(496,515)	2,121,369	2,131,623	(10,254)
Debt Service:						
Financed purchase principal					287,160	(287,160)
Financed purchase interest		13,795	(13,795)		80,320	(80,320)
TOTAL EXPENDITURES	3,671,065	4,181,375	(510,310)	2,121,369	2,499,103	(377,734)

PHILLIPS 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
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ (357,268)	$ (611,100)	$ (253,832)	$ (92,980)	$ (335,233)	$ (242,253)
OTHER FINANCING SOURCES (USES)						
Transfers in		58,780	58,780			
Transfers out		(378,539)	(378,539)			
TOTAL OTHER FINANCING SOURCES (USES)		(319,759)	(319,759)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(357,268)	(930,859)	(573,591)	(92,980)	(335,233)	(242,253)
FUND BALANCES - JANUARY 1		1,646,366	1,646,366		1,853,940	1,853,940
FUND BALANCES - DECEMBER 31	$ (357,268)	$ 715,507	$ 1,072,775	$ (92,980)	$ 1,518,707	$ 1,611,687

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

Schedule 1

PHILLIPS COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Automation	County Recorder's Cost	County Library	Phillips County Reappraisal Cost	Support Collections Costs
ASSETS									
Cash and cash equivalents	$ 17,447	$ 213,228	$ 526	$ 6,259	$ 13,309	$ 43,986	$ 668,266	$ 12,277	$ 607
Investments							76,030		
Accounts receivable	20,158					10,294			
TOTAL ASSETS	$ 37,605	$ 213,228	$ 526	$ 6,259	$ 13,309	$ 54,280	$ 744,296	$ 12,277	$ 607
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	$ 392	$ 184		$ 6	$ 184	$ 369		$ 12,277	
Settlements pending									
Total Liabilities	392	184		6	184	369		12,277	
Fund Balances:									
Restricted	37,213	213,044	$ 526	6,253	13,125	53,911	$ 744,296		$ 607
Assigned									
Unassigned									
Total Fund Balances	37,213	213,044	526	6,253	13,125	53,911	744,296		607
TOTAL LIABILITIES AND FUND BALANCES	$ 37,605	$ 213,228	$ 526	$ 6,259	$ 13,309	$ 54,280	$ 744,296	$ 12,277	$ 607

Schedule 1

PHILLIPS COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

	SPECIAL REVENUE FUNDS							
	Communication Facility and Equipment	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Emergency Equipment	Public Defender	Circuit Court Juvenile Division Probation Fee
ASSETS								
Cash and cash equivalents	$ 139,417	$ 3,230	$ 13,144	$ 26,131	$ 15,759	$ 4,511	$ 3,257	$ 41,064
Investments								
Accounts receivable	230		2,136		3,862			140
TOTAL ASSETS	$ 139,647	$ 3,230	$ 15,280	$ 26,131	$ 19,621	$ 4,511	$ 3,257	$ 41,204
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		$ 120	$ 26,811		$ 21,145			
Settlements pending								
Total Liabilities		120	26,811		21,145			
Fund Balances:								
Restricted	$ 139,647	3,110		$ 26,131		$ 4,511		$ 41,204
Assigned							$ 3,257	
Unassigned			(11,531)		(1,524)			
Total Fund Balances	139,647	3,110	(11,531)	26,131	(1,524)	4,511	3,257	41,204
TOTAL LIABILITIES AND FUND BALANCES	$ 139,647	$ 3,230	$ 15,280	$ 26,131	$ 19,621	$ 4,511	$ 3,257	$ 41,204

PHILLIPS COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS								
	Cops in Schools	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Phillips County Courthouse Park	Phillips County Justice Complex	County Hospital	County Law Library	Jail Booking Area Construction
ASSETS									
Cash and cash equivalents	$ 45	$ 228	$ 3,753	$ 163,579	$ 6,842	$ 415,028	$ 321,807	$ 89,011	$ 16
Investments									
Accounts receivable									
TOTAL ASSETS	$ 45	$ 228	$ 3,753	$ 163,579	$ 6,842	$ 415,028	$ 321,807	$ 89,011	$ 16
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable						$ 31,094			
Settlements pending									
Total Liabilities						31,094			
Fund Balances:									
Restricted	$ 45	$ 228	$ 3,753	$ 163,579	$ 6,842	383,934	$ 321,807	$ 89,011	$ 16
Assigned									
Unassigned									
Total Fund Balances	45	228	3,753	163,579	6,842	383,934	321,807	89,011	16
TOTAL LIABILITIES AND FUND BALANCES	$ 45	$ 228	$ 3,753	$ 163,579	$ 6,842	$ 415,028	$ 321,807	$ 89,011	$ 16

Schedule 1

PHILLIPS COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024
(UNAUDITED)

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUND	CUSTODIAL FUNDS					
	Circuit Clerk Automated Systems Grant	Dragon Woodland Grant	2018 Sales and Use Tax Bond	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Totals
ASSETS									
Cash and cash equivalents	$ 24	$ 2,656	$ 987,086	$ 245,547	$ 255,638	$ 106,771	$ 5,340	$ 58,833	$ 3,884,622
Investments									76,030
Accounts receivable									36,820
TOTAL ASSETS	$ 24	$ 2,656	$ 987,086	$ 245,547	$ 255,638	$ 106,771	$ 5,340	$ 58,833	$ 3,997,472
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									$ 92,582
Settlements pending				$ 245,547	$ 255,638	$ 106,771	$ 5,340	$ 58,833	672,129
Total Liabilities				245,547	255,638	106,771	5,340	58,833	764,711
Fund Balances:									
Restricted	$ 24	$ 2,656	$ 987,086						3,242,559
Assigned									3,257
Unassigned									(13,055)
Total Fund Balances	24	2,656	987,086						3,232,761
TOTAL LIABILITIES AND FUND BALANCES	$ 24	$ 2,656	$ 987,086	$ 245,547	$ 255,638	$ 106,771	$ 5,340	$ 58,833	$ 3,997,472

PHILLIPS 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
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Automation	County Recorder's Cost	County Library	Phillips County Reappraisal Cost
REVENUES								
State aid				$ 4,456			$ 20,736	$ 147,322
Property taxes							222,394	
Sales taxes								
Fines, forfeitures, and costs			$ 536					
Interest	$ 38	$ 435		24	$ 32	$ 25	18,836	
Officers' fees					14,164	105,066		
Net increase (decrease) in fair value of investments							(8,890)	
Emergency 911 fees								
Jail fees								
Donations							11,523	
Contributions from regional library							8,816	
Unclassified								
Treasurer's commission	20,158							
Collector's commission		47,507						
Other				70			9,109	
TOTAL REVENUES	20,196	47,942	536	4,550	14,196	105,091	282,524	147,322
Less: Treasurer's commission	1	959	10	91	317	1,976	4,884	
NET REVENUES	20,195	46,983	526	4,459	13,879	103,115	277,640	147,322
EXPENDITURES								
Current:								
General government	11,851	67,548		7,207	16,378	1,457		147,322
Law enforcement								
Public safety								
Recreation and culture							260,097	
Total Current	11,851	67,548		7,207	16,378	1,457	260,097	147,322
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES	11,851	67,548		7,207	16,378	1,457	260,097	147,322
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	8,344	(20,565)	526	(2,748)	(2,499)	101,658	17,543	
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out						(58,780)		
TOTAL OTHER FINANCING SOURCES (USES)						(58,780)		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	8,344	(20,565)	526	(2,748)	(2,499)	42,878	17,543	
FUND BALANCES - JANUARY 1	28,869	233,609		9,001	15,624	11,033	726,753	
FUND BALANCES - DECEMBER 31	$ 37,213	$ 213,044	$ 526	$ 6,253	$ 13,125	$ 53,911	$ 744,296	$ 0

PHILLIPS 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
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Support Collections Costs	Communication Facility and Equipment	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Emergency Equipment	Public Defender
REVENUES								
State aid					$ 1,108	$ 4		
Property taxes								
Sales taxes								
Fines, forfeitures, and costs				$ 48,501	383			$ 4,320
Interest	$ 1		$ 7	5	52	4		26
Officers' fees		$ 2,882						
Net increase (decrease) in fair value of investments								
Emergency 911 fees						301,571		
Jail fees								
Donations								
Contributions from regional library								
Unclassified		120,204						
Treasurer's commission								
Collector's commission								
Other								
TOTAL REVENUES	1	123,086	7	48,506	1,543	301,579		4,346
Less: Treasurer's commission		55		982	31	5,514		87
NET REVENUES	1	123,031	7	47,524	1,512	296,065		4,259
EXPENDITURES								
Current:								
General government								
Law enforcement		143,736	360	50,120				31,020
Public safety						467,773		
Recreation and culture								
Total Current		143,736	360	50,120		467,773		31,020
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchase principal		77,407						
Financed purchase interest		371						
TOTAL EXPENDITURES		221,514	360	50,120		467,773		31,020
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1	(98,483)	(353)	(2,596)	1,512	(171,708)		(26,761)
OTHER FINANCING SOURCES (USES)								
Transfers in						135,382		28,539
Transfers out								
TOTAL OTHER FINANCING SOURCES (USES)						135,382		28,539
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1	(98,483)	(353)	(2,596)	1,512	(36,326)		1,778
FUND BALANCES - JANUARY 1	606	238,130	3,463	(8,935)	24,619	34,802	$ 4,511	1,479
FUND BALANCES - DECEMBER 31	$ 607	$ 139,647	$ 3,110	$ (11,531)	$ 26,131	$ (1,524)	$ 4,511	$ 3,257

PHILLIPS 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
(UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Circuit Court Juvenile Division Probation Fee	Cops in Schools	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Phillips County Courthouse Park	Phillips County Justice Complex	County Hospital
REVENUES								
State aid								
Property taxes				$ 833				$ 4
Sales taxes							$ 1,034,051	
Fines, forfeitures, and costs								
Interest	$ 84		$ 1	8	$ 8,382	$ 14	375	659
Officers' fees	3,365		180				266	
Net increase (decrease) in fair value of investments								
Emergency 911 fees								
Jail fees							516,570	
Donations								
Contributions from regional library								
Unclassified								
Treasurer's commission								
Collector's commission								
Other							16,494	
TOTAL REVENUES	3,449		181	841	8,382	14	1,567,756	663
Less: Treasurer's commission	67		4	38			32,050	13
NET REVENUES	3,382		177	803	8,382	14	1,535,706	650
EXPENDITURES								
Current:								
General government								
Law enforcement							1,458,672	
Public safety								
Recreation and culture						302		
Total Current						302	1,458,672	
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchase principal								
Financed purchase interest								
TOTAL EXPENDITURES						302	1,458,672	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,382		177	803	8,382	(288)	77,034	650
OTHER FINANCING SOURCES (USES)								
Transfers in							350,000	
Transfers out							(135,382)	
TOTAL OTHER FINANCING SOURCES (USES)							214,618	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,382		177	803	8,382	(288)	291,652	650
FUND BALANCES - JANUARY 1	37,822	$ 45	51	2,950	155,197	7,130	92,282	321,157
FUND BALANCES - DECEMBER 31	$ 41,204	$ 45	$ 228	$ 3,753	$ 163,579	$ 6,842	$ 383,934	$ 321,807

Schedule 2

PHILLIPS 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
(UNAUDITED)

	SPECIAL REVENUE FUNDS				DEBT SERVICE FUND	
	County Law Library	Jail Booking Area Construction	Circuit Clerk Automated Systems Grant	Dragon Woodland Grant	2018 Sales and Use Tax Bond	Totals
REVENUES						
State aid						$ 173,626
Property taxes						223,231
Sales taxes					$ 643,830	1,677,881
Fines, forfeitures, and costs	$ 4,248					57,988
Interest	1				50,836	79,845
Officers' fees						125,923
Net increase (decrease) in fair value of investments						(8,890)
Emergency 911 fees						301,571
Jail fees						516,570
Donations						11,523
Contributions from regional library						8,816
Unclassified						120,204
Treasurer's commission						20,158
Collector's commission						47,507
Other						25,673
TOTAL REVENUES	4,249				694,666	3,381,626
Less: Treasurer's commission						47,079
NET REVENUES	4,249				694,666	3,334,547
EXPENDITURES						
Current:						
General government						251,763
Law enforcement	17,724				132,307	1,833,939
Public safety						467,773
Recreation and culture						260,399
Total Current	17,724				132,307	2,813,874
Debt Service:						
Bond principal					355,000	355,000
Bond interest and other charges					342,493	342,493
Financed purchase principal						77,407
Financed purchase interest						371
TOTAL EXPENDITURES	17,724				829,800	3,589,145
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(13,475)				(135,134)	(254,598)
OTHER FINANCING SOURCES (USES)						
Transfers in						513,921
Transfers out						(194,162)
TOTAL OTHER FINANCING SOURCES (USES)						319,759
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(13,475)				(135,134)	65,161
FUND BALANCES - JANUARY 1	102,486	$ 16	$ 24	$ 2,656	1,122,220	3,167,600
FUND BALANCES - DECEMBER 31	$ 89,011	$ 16	$ 24	$ 2,656	$ 987,086	$ 3,232,761

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

Fund Name	Fund Description
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 Automation	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.
Phillips County Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communication equipment and repair and to train operations staff.
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 and Phillips County Ordinance no. 85-5 (October 9, 1985) 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.

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

Fund Name	Fund Description
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.
Emergency Equipment	Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for defense of indigents.
Circuit Court Juvenile Division Probation Fee	Ark. Code Ann. § 16-13-326 established fund to collect juvenile fees and provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Cops in Schools	Phillips County Ordinance no. 2000-19 (August 8, 2000), interlocal agreement between Phillips County and Barton Lexa Public Schools to provide for employment of a deputy sheriff with conditions of grant award under the Cops in Schools Grant Program.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive $.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Phillips County Courthouse Park	Phillips County Ordinance no. 97-07 (March 11, 1997) and Phillips County Resolution no. 94-10 (August 9, 1994) established fund to receive a grant to fund and maintain courthouse park area.
Phillips County Justice Complex	Established to receive sales tax and fees for housing prisoners to maintain and operate the justice complex and detention center.

PHILLIPS COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024
(UNAUDITED)

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

Fund Name	Fund Description
County Hospital	Ark. Const. amend. 32 established fund to collect and disburse property tax to be used for maintenance, operation and support of the public hospital.
County Law Library	Ark. Code Ann. § 16-10-307 established fund to receive costs to be used for any purpose related to establishment, maintenance, and operations of a county law library.
Jail Booking Area Construction	Established to receive and disburse local grant funds for renovations of the Phillips County Booking and Holding Center.
Circuit Clerk Automated Systems Grant	Established to account for grant received for the purpose of updating an automated circuit clerk recording system.
Dragon Woodland Grant	Established to receive and disburse Community Development Block Grant benefiting low-to-moderate income individuals.
2018 Sales and Use Tax Bond	Phillips County Ordinance no. 2018-7 (May 8, 2018) authorized the issuance of sales and use tax bonds and to receive 1% sales and use tax being levied for the purpose of financing all or a portion of the costs of jail and law enforcement facilities improvements, to equip, operate and maintain new or existing jail and law enforcement facilities, including road and parking improvements related thereto and to pay and secure the repayment of bonds.

Treasurer's accounts consist primarily of treasurer's commission not distributed to the appropriate agencies and funds held for other entities.

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

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

County Clerk's accounts consist primarily of trust money awaiting disposition by the applicable court.

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

1. A. Basis of Presentation - Regulatory

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

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

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

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

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

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

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

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

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

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

1. (Continued)

B. Basis of Accounting - Regulatory

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

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Investments

Investments are reported at fair market value.

Settlements Pending

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

Fund Balance Classifications

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

2. Assigned fund balance – amounts that are constrained by the Quorum Court's intent to be used for specific purposes but are neither restricted nor committed.

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

1. (Continued)

D. Property Taxes

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

E. Budget Law

1. Legal Requirements

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

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund except for the Group Insurance account, Road Fund, and the other operating funds except for the Circuit Court Automation and Jail Maintenance.

F. Fund Balance Classification Policies and Procedures

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

For classification of fund balance amounts, restricted resources are considered spent before unrestricted. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

There were no committed fund balances at year-end.

2. 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			$ 492,263
Law enforcement			687,609
Highways and streets		$ 1,163,738	
Health			321,807
Recreation and culture			751,138
Social services			2,656
Debt service			987,086
Total Restricted		1,163,738	3,242,559
Assigned to:			
General government	$ 84,585		
Law enforcement			3,257
Highways and streets		354,969	
Total Assigned	84,585	354,969	3,257
Unassigned	630,922		(13,055)
Totals	$ 715,507	$ 1,518,707	$ 3,232,761

3. Commitments

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

	December 31, 2024
Long-term liabilities	$ 10,925,944
Lease	113,757
Reappraisal contract	583,240
Construction contracts	246,842
Total Commitments	$ 11,869,783

3. Commitments (Continued)

Long-term Liabilities

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

	December 31, 2024
Bonds	
2018 Sales and Use Tax Bonds, Series 2018, dated May 15, 2018, in the amount of $10,995,000, due in annual installments of $325,000 to $3,210,000 plus interest through September 1, 2043, interest rates from 2.85% to 4.0%. Interest and principal payments begin in 2018 and 2021, respectively. Payments are to be made from the 2018 Sales and Use Tax Bond Fund.	$ 9,060,000
Direct Borrowings	
Financed purchase agreement dated December 16, 2021, with Caterpillar Financial Services Corporation, in the amount of $62,389, with an interest rate of 3.389%, for the purchase of a Caterpillar 289D3 Skid Steer. Monthly payments of $880 for 60 months. Payments are to be made from Road Fund.	17,061
Financed purchase agreement dated June 15, 2022, with Caterpillar Financial Services Corporation, in the amount of $134,291, with an interest rate of 5.44%, for the purchase of a 2022 Caterpillar Excavator. Monthly payments of $2,837 for 36 months and 1 payment of $47,360. Payments are to be made from Road Fund.	55,157
Financed purchase agreement dated September 21, 2022, with Cadence Bank, in the amount of $534,634, with an interest rate of 3.99%, for the purchase of two John Deere 670GP Motor Graders. Monthly payments of $6,617 for 60 months and 1 payment of $213,865. Payments are to be made from the Road Fund.	392,868
Financed purchase agreement dated December 28, 2022, with Cadence Bank, in the amount of $105,000, with an interest rate of 5.4%, for the purchase of one 2020 Mack Stampede Dump Bodies. Monthly payments of $2,437 for 48 months. Payments are to be made from the Road Fund.	53,138
Financed purchase agreement dated December 29, 2022, with Cadence Bank, in the amount of $123,886, with an interest rate of 4.89%, for the purchase of two John Deere 5090E Tractors and one John Deere 520M Loader. Monthly payments of $2,332 for 60 months. Payments are to be made from the Road Fund.	71,858
Financed purchase agreement dated March 29, 2023, with Caterpillar Financial Services Corporation, in the amount of $259,687, with an interest rate of 5.99%, for the purchase of a 2023 Caterpillar 140-15 Motor Grader. Monthly payments of $3,490 for 60 months and 1 payment of $106,640. Payments are to be made from Road Fund.	206,351
Financed purchase agreement dated March 29, 2023, with Caterpillar Financial Services Corporation, in the amount of $259,687, with an interest rate of 5.99%, for the purchase of a 2023 Caterpillar 140-15 Motor Grader. Monthly payments of $3,490 for 60 months and 1 payment of $106,640. Payments are to be made from Road Fund.	198,028

3. Commitments (Continued)

Long-term Liabilities (Continued)

Financed purchase agreement dated April 28, 2023, with Cadence Bank, in the amount of $621,000, with an interest rate of 5.22%, for the purchase of three Western Star 47X Dump Body trucks. Monthly payments of $7,572 for 36 months and 1 payment of $433,500. Payments are to be made from the Road Fund.	$ 535,252
Financed purchase agreement dated July 12, 2023, with Southern Bancorp Bank, in the amount of $262,000, with an interest rate of 8.50%, for the purchase of Sheriff vehicles. Yearly payments of $77,278 for 4 years and 1 payment of $14,406. Payments are to be made from the General and Communication Facility & Equipment Funds.	184,594
Financed purchase agreement dated July 22, 2024, with Caterpillar Financial Services Corporation, in the amount of $128,835, with an interest rate of 5.487%, for the purchase of a used 2021 Caterpillar 140-15 Motor Grader. Monthly payments of $2,996 for 48 months. Payments are to be made from Road Fund.	106,427
Total Direct Borrowings	1,820,734
Arkansas District Judge's Retirement unfunded pension liability - The actuarial assumed rate of interest is 8%. The City of Helena-West Helena and Phillips County have agreed to share the cost on a 50/50 basis. The amount of liability reflected represents only the County's portion.	17,696
Compensated absences consist of accrued compensatory time adjusted to current salary cost.	27,514
Total Long-term liabilities	$ 10,925,944

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

The County’s outstanding bonds payable of $9,060,000 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 financed purchases from direct borrowings of $1,820,734 contain a provision that in an event of default, outstanding amounts, at the Lender’s sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Compensated Absences

Compensated absences do vest or accumulate.

Post Employment Benefits Other Than Pensions

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

3. Commitments (Continued)

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2024	Maturities to December 31, 2024
Bonds					
5/15/18	9/1/43	2.85-4%	$ 10,995,000	$ 9,060,000	$ 1,935,000
Direct Borrowings					
12/16/21	12/22/26	3.389%	62,389	17,061	45,328
6/15/22	6/15/25	5.44%	134,291	55,157	79,134
9/21/22	9/21/27	3.99%	534,634	392,868	141,766
12/28/22	12/28/26	5.40%	105,000	53,138	51,862
12/29/22	12/29/27	4.89%	123,886	71,858	52,028
3/29/23	3/29/28	5.99%	259,687	206,351	53,336
3/29/23	3/29/28	5.99%	259,687	198,028	61,659
4/28/23	6/10/26	5.22%	621,000	535,252	85,748
7/12/23	1/25/27	8.50%	262,000	184,594	77,406
7/22/24	7/22/28	5.487%	128,835	106,427	22,408
Total Direct Borrowings			2,491,409	1,820,734	670,675
Total Long-Term Debt			$ 13,486,409	$ 10,880,734	$ 2,605,675

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired		Balance December 31, 2024
Bonds payable	$ 9,415,000	$ 0	$ 355,000		$ 9,060,000
Direct Borrowings					
Financed purchases	2,184,793	128,835	492,894	*	1,820,734
Total Long-Term Debt	$ 11,599,793	$ 128,835	$ 847,894		$ 10,880,734

*Includes amount refinanced totaling $128,327.

3. Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending	Bonds			Direct Borrowings		
December 31,	Principal	Interest	Total	Principal	Interest	Total
2025		$ 329,525	$ 329,525	$ 400,062	$ 90,866	$ 490,928
2026	$ 750,000	329,525	1,079,525	761,742	62,996	824,738
2027	390,000	307,025	697,025	540,485	27,639	568,124
2028	400,000	295,325	695,325	118,445	666	119,111
2029	415,000	282,825	697,825			
2030 through 2034	1,325,000	1,222,031	2,547,031			
2035 through 2039	3,145,000	982,282	4,127,282			
2040 through 2043	2,635,000	408,425	3,043,425			
Totals	$ 9,060,000	$ 4,156,963	$13,216,963	$ 1,820,734	$ 182,167	$ 2,002,901

Lease

The County entered into a lease agreement for a Caterpillar grader in June 2020. Terms of the lease are monthly rental payments of $879 for 60 months and a final payment of $110,239. At the end of the lease term, the County will return the leased equipment. The County is obligated for the following amount for the next year:

Year	December 31, 2024
2025	$ 113,757

Lease expense for 2024, was $8,794.

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal Services, Inc. on November 20, 2024, for a county-wide reappraisal. The County is obligated for 48 monthly payments of $12,151 for a total of $583,240 beginning January 1, 2025. Contract expense for 2024, was $147,322.

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

Year	December 31, 2024
2025	$ 145,810
2026	145,810
2027	145,810
2028	145,810
Total	$ 583,240

3. Commitments (Continued)

Construction Contracts

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

Project Name	Completed Date	Contract Balance December 31, 2024
Collector's Office Water Restoration	8/1/2025	$ 84,810
First Floor HVAC Equipment Replacement	8/29/2025	162,032
Total Construction Contracts		$ 246,842

4. Interfund Transfers

General Fund transferred $378,539 to Other Funds in the Aggregate for operations and to reimburse prior year expenditures. Other Funds in the Aggregate transferred $58,780 to General Fund to reimburse prior year expenditures. Within Other Funds in the Aggregate, the Phillips County Justice Complex transferred $135,382 to Emergency 911 for operations.

5. Pledged Revenues

The County pledged future 1% sales and use taxes to repay $10,995,000 in bonds that were issued in 2018 to provide funding for financing jail and law enforcement facilities improvements, including particularly, without limitation, a new jail and the acquisition and renovation of a building to contain the sheriff's office, arraignment room/courtroom, communications center, and administrative offices related to law enforcement and any necessary land acquisition, furnishings, equipment, signage and utility, road and parking improvements. Total principal and interest remaining on the bonds are $9,060,000 and $4,156,963, respectively, payable through September 1, 2043. For 2024, principal and interest paid were $355,000 and $339,643, respectively.

The Debt Service Fund received $643,830 in sales taxes in 2024. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used to acquire, construct, improve, expand, equip, furnish, operate, and maintain new or existing jail and law enforcement facilities, including any necessary utility, road, and parking improvements related there to.

6. Joint Venture: Regional Library

Phillips, Lee, and Monroe Counties entered into an agreement in May 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the Phillips, Lee, and Monroe Regional Library. The agreement states that the library boards of these counties are to continue the same duties and functions that they have in the past until said duties and functions are altered by the Quorum Court as provided by law. The Phillips County Library did not pay any regional library expenditures in 2024. Separate financial statements of the Phillips, Lee, and Monroe Regional Library are available at 702 Porter Street, Helena, AR 72342.

7. Jointly Governed Organization

The First Judicial District Drug Task Force is a jointly governed organization comprised of representatives from Monroe, Lee, Phillips, St. Francis, Cross, and Woodruff Counties and participating cities within the aforementioned counties. The Sheriff from each county acts as a representative. The County did not pay any drug task force expenditures in 2024. Contact the First Judicial District Drug Task Force at 113 S. Main Street, Clarendon, AR 72029 to inquire on the availability of financial statements.

8. 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 5.75% 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 $460,147.

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 $3,289,714.

9. Capital Assets

The County's capital assets records are summarized below:

	December 31, 2024
Land	$ 376,168
Buildings	18,511,439
Equipment	7,277,205
Total	$ 26,164,812

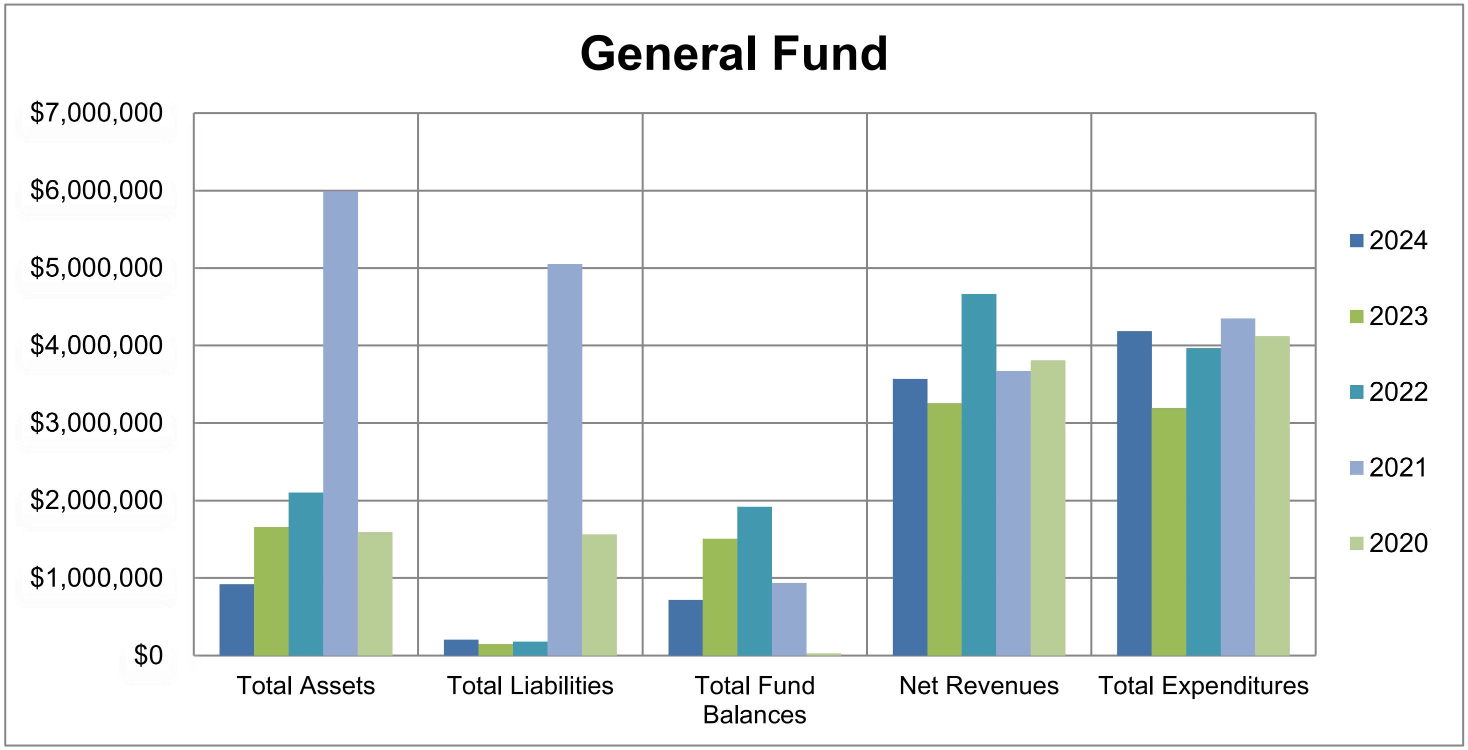
10. Subsequent Event

On May 22, 2025, the County canceled the Marvell and Elaine Splash Pad projects with remaining contract balances of $75,000 and $76,500, respectively as of December 31, 2024. The officials indicated that no additional charges would be incurred.

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

Schedule 3-1

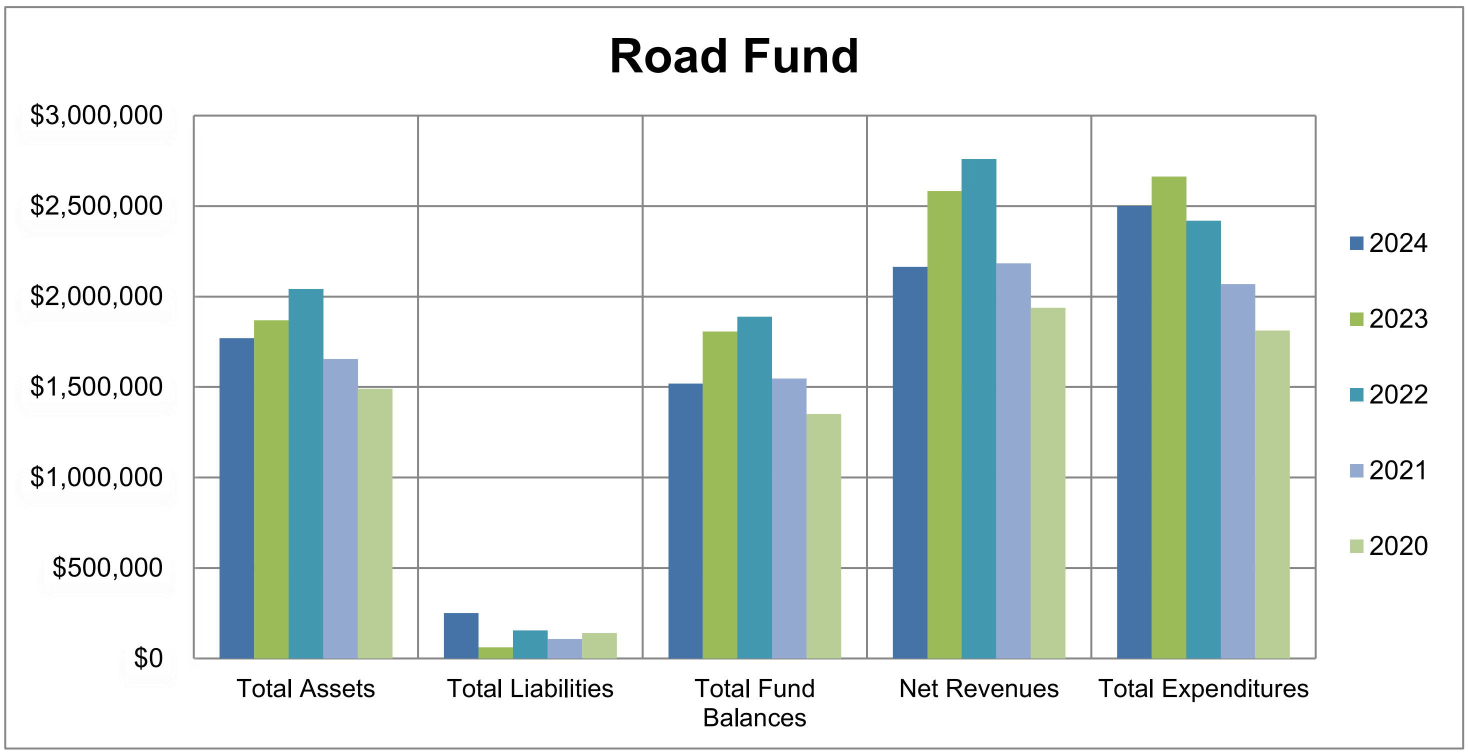
General	2024	2023	2022	2021	2020
Total Assets	$ 919,419	$ 1,656,992	$ 2,101,321	$ 5,989,467	$ 1,592,981
Total Liabilities	203,912	147,773	179,817	5,053,810	1,564,068
Total Fund Balances	715,507	1,509,219	1,921,504	935,657	28,913
Net Revenues	3,570,275	3,255,183	4,667,102	3,671,892	3,805,750
Total Expenditures	4,181,375	3,189,955	3,962,287	4,347,060	4,119,363
Total Other Financing Sources/Uses	(319,759)	(754,140)		(425,636)	(22,850)



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

Schedule 3-2

Road	2024	2023	2022	2021	2020
Total Assets	$ 1,768,999	$ 1,869,264	$ 2,041,489	$ 1,653,800	$ 1,490,673
Total Liabilities	250,292	61,839	154,149	107,726	140,372
Total Fund Balances	1,518,707	1,807,425	1,887,340	1,546,074	1,350,301
Net Revenues	2,163,870	2,583,455	2,759,703	2,183,503	1,937,543
Total Expenditures	2,499,103	2,663,370	2,418,437	2,068,521	1,811,476
Total Other Financing Sources/Uses				7,100	



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

Schedule 3-3

Other Funds in the Aggregate	2024	2023	2022	2021	2020
Total Assets	$ 3,997,472	$ 4,110,333	$ 7,801,093	$ 11,560,627	$ 9,897,942
Total Liabilities	764,711	1,006,234	3,316,257	7,520,371	6,547,080
Total Fund Balances	3,232,761	3,104,099	4,484,836	4,040,256	3,350,862
Net Revenues	3,334,547	3,804,705	5,461,098	4,809,353	2,330,387
Total Expenditures	3,589,145	5,939,582	5,016,518	3,941,488	4,145,705
Total Other Financing Sources/Uses	319,759	754,140		418,536	22,850