

Washington County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



WASHINGTON COUNTY, ARKANSAS
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Arkansas

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



Rep. Robin Lundstrum
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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

Washington 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 Washington 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 Washington 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 Washington 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 November 17, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT

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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
November 17, 2025
LOCO07223



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

Washington 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 Washington 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 November 17, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

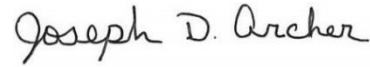
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

We also reported to management of the County in a separate letter dated November 17, 2025.

Purpose of This Report

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink that reads "Joseph D. Archer". The signature is written in a cursive, flowing style.

Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
November 17, 2025

Arkansas

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



Rep. Robin Lundstrum
House Chair
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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2023:

County Judge: Patrick Deakins
Treasurer: Bobby Hill
Sheriff: Jay Cantrell
Tax Collector: Angela Wood
County Clerk: Becky Lewallen
Circuit Clerk: Kyle Sylvester
Assessor: Russell Hill
County Librarian: Glenda Audrain

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

Other Issues

Unauthorized withdrawals of \$28,296, \$109,028, and \$31,250 were made from a County bank account on April 3, 2023, October 11, 2023, and November 16, 2023, respectively. Entity personnel discovered the unauthorized withdrawals of the affected bank account, and the funds were recovered from the bank.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in cursive script that reads "Joseph D. Archer".

Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
November 17, 2025

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 36,258,507	\$ 8,423,218	\$ 67,999,305
Accounts receivable	6,738,640	710,637	3,033,192
Interfund receivables	41,262	3,402	16,457
TOTAL ASSETS	<u>\$ 43,038,409</u>	<u>\$ 9,137,257</u>	<u>\$ 71,048,954</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 651,184	\$ 277,828	\$ 582,698
Interfund payables	3,528		57,593
Settlements pending			23,330,837
Total Liabilities	<u>654,712</u>	<u>277,828</u>	<u>23,971,128</u>
Fund Balances:			
Restricted	585,135	677,225	43,909,664
Assigned	1,652,449	8,182,204	3,168,162
Unassigned	40,146,113		
Total Fund Balances	<u>42,383,697</u>	<u>8,859,429</u>	<u>47,077,826</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 43,038,409</u>	<u>\$ 9,137,257</u>	<u>\$ 71,048,954</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 2,935,010	\$ 7,173,056	\$ 2,113,403
Federal aid	186,024	79,838	2,186,330
Property taxes	21,847,555	1,900,366	2,764,980
Sales taxes	6,316,199	4,210,799	15,978,243
Fines, forfeitures, and costs	1,173,997		864,883
Interest	1,920,493	251,237	580,979
Officers' fees	557,286		1,533,995
Insurance premiums collected	2,056,890		
Jail phone commission			217,728
Jail fees			5,101,273
Commissary commission			281,724
911 fees			281,627
Reimbursement for HIV clinic			112,500
Landfill fees		581,956	
Sale of equipment		356,812	
Franchise fees	114,065		
Insurance proceeds	6,324,956		
Treasurer's commission	257,341		250,000
Collector's commission	1,261,781		750,000
Taxes apportioned - Assessor's salary and expense	3,692,952		
Other	1,889,171	501,744	821,979
TOTAL REVENUES	50,533,720	15,055,808	33,839,644
Less: Treasurer's commission	132,449	57,537	88,911
NET REVENUES	50,401,271	14,998,271	33,750,733
EXPENDITURES			
Current:			
General government	17,801,194		2,478,651
Law enforcement	19,070,426		23,372,406
Highways and streets	54,411	13,846,247	
Public safety	1,743,643		5,391,442
Sanitation	212,519		
Health	1,697,149		1,190,601
Recreation and culture			3,429,134
Social services	431,229		303,837
Total Current	41,010,571	13,846,247	36,166,071
Debt Service:			
Financed purchase principal	296,770	406,058	26,066
Financed purchase interest	230,840	71,097	
TOTAL EXPENDITURES	41,538,181	14,323,402	36,192,137

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 8,863,090	\$ 674,869	\$ (2,441,404)
OTHER FINANCING SOURCES (USES)			
Transfers in	54,234		1,060,810
Transfers out	(114,147)		(1,000,897)
TOTAL OTHER FINANCING SOURCES (USES)	(59,913)		59,913
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	8,803,177	674,869	(2,381,491)
FUND BALANCES - JANUARY 1	33,580,520	8,184,560	49,459,317
FUND BALANCES - DECEMBER 31	\$ 42,383,697	\$ 8,859,429	\$ 47,077,826

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

WASHINGTON 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		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 2,762,970	\$ 2,935,010	\$ 172,040	\$ 7,000,000	\$ 7,173,056	\$ 173,056
Federal aid	125,000	186,024	61,024	274,197	79,838	(194,359)
Property taxes	21,469,100	21,847,555	378,455	1,834,750	1,900,366	65,616
Sales taxes	6,000,000	6,316,199	316,199	4,000,000	4,210,799	210,799
Fines, forfeitures, and costs	1,073,020	1,173,997	100,977			
Interest	425,000	1,920,493	1,495,493	101,500	251,237	149,737
Officers' fees	546,000	557,286	11,286			
Insurance premiums collected		2,056,890	2,056,890			
Landfill fees				600,000	581,956	(18,044)
Sale of equipment					356,812	356,812
Franchise fees	130,000	114,065	(15,935)			
Insurance proceeds		6,324,956	6,324,956			
Treasurer's commission		257,341	257,341			
Collector's commission		1,261,781	1,261,781			
Taxes apportioned - Assessor's salary and expense		3,692,952	3,692,952			
Other	2,542,472	1,889,171	(653,301)	615,063	501,744	(113,319)
TOTAL REVENUES	35,073,562	50,533,720	15,460,158	14,425,510	15,055,808	630,298
Less: Treasurer's commission	575,000	132,449	442,551	259,975	57,537	202,438
NET REVENUES	34,498,562	50,401,271	15,902,709	14,165,535	14,998,271	832,736
EXPENDITURES						
Current:						
General government	16,436,818	17,801,194	(1,364,376)			
Law enforcement	20,769,391	19,070,426	1,698,965			
Highways and streets	60,113	54,411	5,702	14,779,449	13,846,247	933,202
Public safety	1,890,503	1,743,643	146,860			
Sanitation	259,809	212,519	47,290			
Health	1,762,964	1,697,149	65,815			
Social services	448,415	431,229	17,186			
Total Current	41,628,013	41,010,571	617,442	14,779,449	13,846,247	933,202
Debt Service:						
Financed purchase principal		296,770	(296,770)		406,058	(406,058)
Financed purchase interest		230,840	(230,840)		71,097	(71,097)
TOTAL EXPENDITURES	41,628,013	41,538,181	89,832	14,779,449	14,323,402	456,047

WASHINGTON 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		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (7,129,451)	\$ 8,863,090	\$ 15,992,541	\$ (613,914)	\$ 674,869	\$ 1,288,783
OTHER FINANCING SOURCES (USES)						
Transfers in	4,760,240	54,234	(4,706,006)			
Transfers out	(950,000)	(114,147)	835,853			
TOTAL OTHER FINANCING SOURCES (USES)	3,810,240	(59,913)	(3,870,153)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,319,211)	8,803,177	12,122,388	(613,914)	674,869	1,288,783
FUND BALANCES - JANUARY 1	28,296,347	33,580,520	5,284,173	7,664,633	8,184,560	519,927
FUND BALANCES - DECEMBER 31	\$ 24,977,136	\$ 42,383,697	\$ 17,406,561	\$ 7,050,719	\$ 8,859,429	\$ 1,808,710

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

WASHINGTON 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, property taxes, sales 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. See Schedules 1 and 2 for Special Revenue Funds as reported with other funds in the aggregate.

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

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 the Custodial Funds as reported with other funds in the aggregate.

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

NOTE 1: Summary of Significant Accounting (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.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, fees, trust, excess commissions, and interest 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.

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.

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

NOTE 1: Summary of Significant Accounting (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

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.

There were no committed fund balances at year-end.

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)	\$ 10,757,916	\$ 10,872,988
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the County's name	101,917,754	104,778,516
Total Deposits	<u>\$ 112,675,670</u>	<u>\$ 115,651,504</u>

The above total deposits do not include cash on hand of \$5,360.

Bank account balances totaling \$7,112,499 included in Insured (FDIC) are swept daily to multiple banks in which all cash deposits in the bank are insured.

WASHINGTON 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	\$ 668		\$ 180,333
Federal aid	1,833		94,221
Property taxes	716,860	\$ 67,254	93,555
Fines, forfeitures, and costs	49,847		60,664
Interest	10,415	4,524	6,994
Officers' fees	41,022		112,474
Jail phone commission			32,393
Jail fees			940,236
911 fees			25,493
Reimbursement for HIV clinic			17,000
Franchise fees	21,597	118,874	
Treasurer's commission	257,341		250,000
Collector's commission	1,261,781		750,000
Taxes apportioned - Assessor's salary and expense	3,698,053		
Other	132,924	282,676	103,110
Treasurer's commission charged	546,299	237,309	366,719
Totals	<u>\$ 6,738,640</u>	<u>\$ 710,637</u>	<u>\$ 3,033,192</u>

NOTE 5: Accounts Payable

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 651,184</u>	<u>\$ 277,828</u>	<u>\$ 582,698</u>

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

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2023	
	Interfund Receivables	Interfund Payables
General Fund	\$ 41,262	\$ 3,528
Road Fund	3,402	
Other Funds in the Aggregate:		
Special Revenue Funds:		
Treasurer's Automation		2,014
Collector's Automation		6,126
County Recorder's Cost	4,432	
Child Support Collections Costs		4,432
Jail Operations Sales Tax		804
Adult Drug Court Program		32,317
Rural Community Grant	125	
Drug Court Grant		11,900
Law Enforcement Grants	11,900	
	<u>61,121</u>	<u>61,121</u>
Totals	<u>\$ 61,121</u>	<u>\$ 61,121</u>

Interfund receivables and payables consist of interfund loans. These balances were repaid by March 31, 2024.

NOTE 7: Federal Funds Program Compliance

The County received federal compliance audits for the fiscal years ended December 31, 2022, and December 31, 2021; however, the reports did not include expenditures related to the Coronavirus State and Local Fiscal Recovery Funds (SLFRF). As of our report date, the County has contracted for single audits that include SLFRF for fiscal years 2022 and 2021. Therefore, any instances of noncompliance with SLFRF federal grant requirements for fiscal years 2022 and 2021 have not been determined. Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the County.

The County's single audit report for fiscal year 2023, dated June 16, 2025, reported a significant deficiency in internal control over compliance related to the omission of Coronavirus State and Local Fiscal Recovery Funds (SLFRF) expenditures on the fiscal years' 2022 and 2021 Schedule of Expenditures of Federal Awards (SEFA). The submission of the fiscal year 2023 SEFA was delayed to correct and resubmit the fiscal years' 2022 and 2021 SEFA reporting.

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

NOTE 8: 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	\$ 535,295		\$ 28,933,323
Law enforcement			7,921,676
Highways and streets		\$ 677,225	
Public safety			510,711
Health	49,840		103,018
Recreation and culture			1,940,987
Social services			1,972,485
Capital outlay			2,527,464
Total Restricted	<u>585,135</u>	<u>677,225</u>	<u>43,909,664</u>
Assigned to:			
General government	1,652,449		
Law enforcement			3,041,434
Highways and streets		8,182,204	
Health			121,891
Recreation and culture			4,837
Total Assigned	<u>1,652,449</u>	<u>8,182,204</u>	<u>3,168,162</u>
Unassigned	<u>40,146,113</u>		
Totals	<u>\$ 42,383,697</u>	<u>\$ 8,859,429</u>	<u>\$ 47,077,826</u>

NOTE 9: 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 \$491,236,469. 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 \$129,588,639. The amount of short-term financing obligations was \$3,147,774, leaving a legal debt margin of \$126,440,865.

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

NOTE 10: Commitments

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

	December 31, 2023
Long-term liabilities	\$ 11,770,515
Reappraisal contract	5,115,500
Construction contracts	4,331,379
Total Commitments	<u>\$ 21,217,394</u>

Long-term Liabilities

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

	December 31, 2023
<u>Direct Borrowings</u>	
On June 28, 2019, Washington County entered into a finance purchase agreement in the amount of \$8,005,529, due in installments of \$470,000 to \$633,229 including interest, with Sterling National Bank for the purchase of energy saving improvements. Terms are set forth in the performance contract dated April 23, 2019, between Washington County and Johnson Controls, Inc. at a 3.17% interest rate and due in annual installments over 20 years. Payments will be made from annually budgeted and legally available funds but do not constitute pledge of specific revenue.	\$ 7,031,953
Washington County entered into a finance purchase contract dated October 28, 2021, with Axon Enterprise, Inc. in the amount of \$371,128 for the purchase of 107 Tasers. An initial payment of \$2,750 and annual payments of \$73,676 for five years are to be shared between the General Fund and the Jail Operations Sales Tax Fund.	221,026
Washington County entered into a finance purchase agreement dated February 10, 2021, with Caterpillar Financial Services in the amount of \$1,761,030 with interest rate of 2.99% for purchase of eight Caterpillar 140-15AWD Motor Graders. Monthly payments of \$16,713 for 59 months with a final payment of \$981,193. Payments are to be made from the County Road Fund.	1,324,291
Washington County entered into a finance purchase agreement dated August 12, 2021, with Caterpillar Financial Services in the amount of \$464,840 with interest rate of 2.99% for purchase of two Caterpillar 140JOY-BR Motor Graders. Monthly payments of \$4,824 for 59 months with a final payment of \$233,144. Payments are to be made from the County Road Fund.	358,667
Washington County entered into a finance purchase agreement dated October 26, 2021, with Caterpillar Financial Services in the amount of \$232,420 with interest rate of 2.99% for purchase of a Caterpillar 140-15AWD Motor Grader. Monthly payments of \$2,415 for 60 months with a final payment of \$114,160. Payments are to be made from the County Road Fund.	185,119
Washington County entered into a finance purchase agreement in January 2022, with Caterpillar Financial Services in the amount of \$464,840 with interest rate of 2.99% for purchase of two Caterpillar 140-15AWD Motor Grader. Monthly payments of \$4,824 for 60 months and a final payment of \$228,320. Payments are to be made from the County Road Fund.	378,173
Washington County entered into a finance purchase agreement dated July 20, 2023, with KS StateBank in the amount of \$814,755 with interest rate of 6.62% for purchase of four Mack Granite Trucks. Initial payment of \$134,257 and annual payments of \$134,257 for three years with a final payment of \$420,900. Payments are to be made from the County Road Fund.	680,498
Total Direct Borrowings	<u>10,179,727</u>
Compensated absences consisting of accrued vacation and comp leave adjusted to current salary cost	1,590,788
Total Long-term liabilities	<u>\$ 11,770,515</u>

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

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

NOTE 10: Commitments (Continued)

Long-term Liabilities (Continued)

The County's outstanding direct borrowings of \$10,179,727 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 Authorized and Issued	Debt Outstanding December 31, 2023	Maturities to December 31, 2023
<u>Direct Borrowings</u>					
6/28/19	4/1/39	3.17%	\$ 8,005,529	\$ 7,031,953	\$ 973,576
2/10/21	2/1/26	2.99%	1,761,030	1,324,291	436,739
8/12/21	8/1/26	2.99%	464,840	358,667	106,173
10/26/21	12/1/26	2.99%	232,420	185,119	47,301
10/28/21	11/1/26	0.00%	371,128	221,026	150,102
1/1/22	2/1/27	2.99%	464,840	378,173	86,667
7/20/23	7/20/27	6.62%	814,755	680,498	134,257
Total Long-Term Debt			<u>\$ 12,114,542</u>	<u>\$ 10,179,727</u>	<u>\$ 1,934,815</u>

Changes in Long-Term Debt

	Balance January 01, 2023	Issued	Retired	Balance December 31, 2023
<u>Direct Borrowings</u>				
Financed purchases	<u>\$ 10,093,866</u>	<u>\$ 814,755</u>	<u>\$ 728,894</u>	<u>\$ 10,179,727</u>

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

NOTE 10: Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrowings		
	Principal	Interest	Total
2024	\$ 721,965	\$ 331,281	\$ 1,053,246
2025	760,202	308,043	1,068,245
2026	1,942,048	259,317	2,201,365
2027	977,649	221,395	1,199,044
2028	371,842	183,158	555,000
2029 through 2033	2,122,277	727,723	2,850,000
2034 through 2038	2,669,925	360,075	3,030,000
2039	613,819	19,458	633,277
Totals	<u>\$ 10,179,727</u>	<u>\$ 2,410,450</u>	<u>\$ 12,590,177</u>

County-Wide Reappraisal Contract

The County entered into a contract with Arkansas CAMA Technology on September 9, 2023, for a county-wide reappraisal. The County is obligated for 48 monthly payments of \$106,573 for a total of \$5,115,500 beginning January 1, 2024. Contract expense for 2023, was \$1,308,334.

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

Year	December 31, 2023
2024	\$ 1,278,875
2025	1,278,875
2026	1,278,875
2027	1,278,875
Total	<u>\$ 5,115,500</u>

Construction Contracts

The County was contractually obligated for the following construction contracts at December 31, 2023:

Project Name	Completed	Contract Balance December 31, 2023
Motorola Solutions, Inc. for Washington County structural system upgrade & expansion	December 2024	\$ 1,696,050
Harness Roofing, Inc. for reroofing of 6 buildings	August 2024	2,352,429
WER Northwest Arkansas PLLC for new Emergency Communications Center	September 2025	282,900
Total Construction Contracts		<u>\$ 4,331,379</u>

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

NOTE 11: Interfund Transfers

The General Fund transferred \$114,147 to the Other Funds in the Aggregate for operations. Other Funds in the Aggregate transferred \$54,234 to the General Fund as provided for in Ark. Code Ann. § 21-6-306. Within Other Funds in the Aggregate, \$946,663 was transferred for unused American Rescue Plan Act Funds.

NOTE 12: Subsequent Events

On January 25, 2024, Washington County contracted with C.R. Crawford, LLC as a construction manager for the Washington County Emergency Response Center. As a result, the following contracts were signed by Washington County: (1) on October 17, 2024, Mountain Mechanical Contractors, Inc. for a contract price of \$1,063,000, (2) on October 17, 2024, Prestressed Casting Co. for a contract price of \$675,970, and (3) on October 28, 2024, Walker Masonry & Sons, Inc. for a contract price of \$553,500.

On December 17, 2024, Washington County signed the following contracts for the Washington County COVID Mitigation project: (1) Cornerstone Detention Products for a contract price of \$2,381,106, (2) NABCO Mechanical & Electrical for a contract price of \$2,912,700, (3) Grant Garrett Excavating for a contract price of \$1,690,786, and (4) Wil-Shar for a contract price of \$615,055.

On December 31, 2024, Washington County received \$1,094,586 from Excellerate Foundation as return of unused funds and interest.

NOTE 13: Joint Ventures

Washington County/City Library System

The Cities of Springdale, Elkins, Lincoln, Prairie Grove, West Fork, Farmington, and Washington County entered an interlocal agreement dated September 14, 2004, in accordance with Ark. Code Ann. §§ 14-14-910 and 25-20-201, and County Ordinance No. 2001-8 to operate a joint County/City library system within Washington County. The purpose of this agreement is for constructing, operating, and maintaining a public library system for Washington County and will offer library services to the public within the communities of each of the participating cities. Funding for this agreement will be derived from the County library millage and will be distributed in a manner deemed fair and proper by the Library Board. Washington County's millage rate for this purpose will be 1 mill. The Washington County Library Board shall be composed of seven appointed and confirmed members of the County with one each from the Cities of Springdale, Prairie Grove, Lincoln, Westfork, Farmington and Elkins; and one remaining members from the unincorporated areas of the County. The Washington County/City Library System transferred \$1 to the Washington County General Fund in 2023, for the lease of real property housing the County Library per a lease agreement signed and dated June 16, 2000.

Washington County Regional Ambulance Authority

Washington County and the cities of Elkins, Elm Springs, Fayetteville, Farmington, Goshen, Greenland, Johnson, Lincoln, Prairie Grove, Tontitown, West Fork, and Winslow entered into an agreement on December 21, 2020, pursuant to Ark. Code Ann. §§ 14-14-910, 14-266-102, and 25-20-101 to establish the Washington County Regional Ambulance Authority (Authority). The purpose of the Authority is to provide emergency and non-emergency medical services. Terms of the agreements call for Washington County to pay a minimum contribution of \$17.96 per capita for the unincorporated population of Washington County based on the prior year's population projection by Northwest Arkansas Council. Washington County paid the Authority \$844,598 during 2023. In addition, a quarterly amount of \$24,250 was paid to subsidize the salary of the Washington County Fire Association dispatch, for a total additional amount of \$97,000.

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

NOTE 14: Jointly Governed Organizations

Boston Mountain Solid Waste District

Washington, Madison, Carroll, and Benton Counties entered into an agreement in April 1991 to form the Four County (NW) Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-707. This agreement stated that their emphasis would be on recycling, composting, and waste reduction. In February 2005, only Washington and Madison Counties remained in the agreement and the name was changed to Boston Mountain Solid Waste District (the District). In 2018, Washington County transferred the operation of the Washington County Hazardous Waste Program and the Rural Recycling Program to the District. Washington County paid \$21,944 to the District during 2023. Separate financial statements of the Boston Mountain Solid Waste District may be obtained at 11398 Bond Road, Prairie Grove, Arkansas 72752.

Ozark Regional Transit

Washington County participates in the Ozark Regional Transit, Inc. (ORT), a jointly governed organization. The ORT provides transit services among the various locations of its members. Most of the ORT funding is through the Federal Transportation Administration (FTA), which includes both rural and urbanized area funding and local funding that is provided by the members of the ORT. The FTA rural funding is provided through the Arkansas Highway and Transportation Department. Other participants include Benton County, as well as other entities within these counties. In 2023, Washington County paid \$22,970 to ORT for their share of the transportation benefits provided to its members. Financial statements may be obtained at Ozark Regional Transit, 2423 E. Robinson Avenue, Springdale, AR 72764.

Fourth Judicial District Drug Task Force

The Prosecuting Attorney of the Fourth Judicial District, the Washington County Sheriff's Department, the Madison County Sheriff's Department and the Police Departments of the University of Arkansas, Fayetteville, Springdale, Prairie Grove, Lincoln, Farmington, Johnson, Elkins, Greenland, West Fork, Elm Springs, Tontitown, Huntsville, and Goshen entered into an agreement to establish the Fourth Judicial District Drug Task Force. Funding was provided through Justice Assistance Grants and local funding provided by the Prosecuting Attorney's Office, Washington County Sheriff's Department, and local police departments. Separate financial statements for the Fourth Judicial District Drug Task Force were not available.

NOTE 15: Joint Operations

Bomb Squad

The Bomb Squad operates as the result of an interlocal agreement between Washington County and the City of Bentonville that was signed on February 12, 2010. The equipment is housed at the Cities of Bentonville and Fayetteville. The interlocal agreement shall be administered by a joint board to consist of one representative from Washington County, one representative from the City of Bentonville and one representative chosen by representatives of the County and the City of Bentonville jointly. The Bomb Squad operates under the City of Bentonville tax identification number. The City of Bentonville is to provide insurance of the bomb equipment, costing approximately \$825,912 as of December 31, 2023.

Northwest Arkansas HIV Clinic

The County entered into an interlocal agreement with Benton County on February 25, 2011, for support of an HIV health clinic located in Washington County to address the needs of persons diagnosed with HIV infection. Benton County contributed \$34,000 to Washington County in 2023 to supplement salary expenses. Washington Regional Medical Center also contributed \$78,500 to supplement salary expenses at the Northwest Arkansas HIV Clinic. The Washington County General Fund transferred \$38,806 to the Northwest Arkansas Regional HIV Clinic Fund in 2023. Financial activity of the Northwest Arkansas HIV Clinic is included in the financial statements of Washington County.

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

NOTE 15: Joint Operations (Continued)

Washington County Regional Crisis Stabilization Unit (WCRCSU)

Washington County entered into agreements with Madison County, City of Fayetteville, and City of Springdale for the purpose of establishing and funding the operations of the Washington County Regional Crisis Stabilization Unit (WCRCSU). To help defray the cost of personnel, supplies, and services provided by the WCRCSU, Washington County, Madison County, City of Fayetteville, and City of Springdale agree to pay \$40 per day, up to the length of stay, for every individual it delivers to the WCRCSU for treatment. The Washington County Judge and the Criminal Justice Advisory Board shall review the reimbursement amount annually and send notice of any modifications by September 1st of each year. Washington County shall send an itemized bill to each county and city by the fifteenth day of each month. The WCRCSU began taking patients in January 2020.

The County signed a contract on January 10, 2022, with the University of Arkansas Medical Sciences (UAMS) to provide medical services to the WCRCSU. The County will compensate UAMS for the services provided in the amount of \$90,167 per month. The County paid UAMS \$991,833 in 2023.

NOTE 16: Risk Management

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

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

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

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 \$500,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board.

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

NOTE 16: Risk Management (Continued)

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

NOTE 17: Arkansas Public Employees Retirement System

Plan Description

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

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 \$5,413,138.

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 \$46,457,568.

NOTE 18: Self-Insured Benefits

The County provided an insurance benefits plan for employees on a self-insured basis. Blue Advantage Administrators of Arkansas is currently the third-party administrator, which provides claims administration/adjudication services for a set monthly fee based on the number of covered employees. As of December 31, 2023, the balance in the Self-Insured account was \$2,305,615. To safeguard against catastrophic claims expenses, the County also maintains a reinsurance policy with Sirius America Insurance Company, which will fund individual claims that exceed \$175,000 per occurrence up to \$1,000,000.

NOTE 19: 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 \$120,226 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, \$120,226 of this amount has been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

WASHINGTON 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 Public Library	County Clerk's Operation
ASSETS								
Cash and cash equivalents	\$ 237,018	\$ 569,318	\$ 135,058	\$ 339,093	\$ 881,969	\$ 737,511	\$ 1,787,978	\$ 34,641
Accounts receivable	250,000	750,039	3,940		9,440	117,924	141,927	365
Interfund receivables						4,432		
TOTAL ASSETS	<u>\$ 487,018</u>	<u>\$ 1,319,357</u>	<u>\$ 138,998</u>	<u>\$ 339,093</u>	<u>\$ 891,409</u>	<u>\$ 859,867</u>	<u>\$ 1,929,905</u>	<u>\$ 35,006</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 1,145	\$ 48,679	\$ 1,589	\$ 333	\$ 897	\$ 13,427	\$ 2,242	
Interfund payables	2,014	6,126						
Settlements pending								
Total Liabilities	<u>3,159</u>	<u>54,805</u>	<u>1,589</u>	<u>333</u>	<u>897</u>	<u>13,427</u>	<u>2,242</u>	
Fund Balances:								
Restricted	483,859	1,264,552	137,409	338,760	890,512	846,440	1,927,663	\$ 35,006
Assigned								
Total Fund Balances	<u>483,859</u>	<u>1,264,552</u>	<u>137,409</u>	<u>338,760</u>	<u>890,512</u>	<u>846,440</u>	<u>1,927,663</u>	<u>35,006</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 487,018</u>	<u>\$ 1,319,357</u>	<u>\$ 138,998</u>	<u>\$ 339,093</u>	<u>\$ 891,409</u>	<u>\$ 859,867</u>	<u>\$ 1,929,905</u>	<u>\$ 35,006</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Child Support Collections Costs	Communication Facility and Equipment	Jail Operations Sales Tax	Boating Safety and Enforcement	Emergency 911	Adult Drug Court Program	Circuit Court Juvenile Division	Juvenile Court Representation
ASSETS								
Cash and cash equivalents	\$ 4,432	\$ 302,539	\$ 8,303,299	\$ 37,599	\$ 389,408	\$ 32,317	\$ 7,832	\$ 6,291
Accounts receivable	1,876	38,779	1,339,331	192	30,537	2,134	27	115
Interfund receivables								
TOTAL ASSETS	<u>\$ 6,308</u>	<u>\$ 341,318</u>	<u>\$ 9,642,630</u>	<u>\$ 37,791</u>	<u>\$ 419,945</u>	<u>\$ 34,451</u>	<u>\$ 7,859</u>	<u>\$ 6,406</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 5,456	\$ 400,978		\$ 32,684			
Interfund payables	\$ 4,432		804			\$ 32,317		
Settlements pending								
Total Liabilities	<u>4,432</u>	<u>5,456</u>	<u>401,782</u>		<u>32,684</u>	<u>32,317</u>		
Fund Balances:								
Restricted	1,876		6,535,276	\$ 37,791	387,261	2,134	\$ 7,859	\$ 6,406
Assigned		335,862	2,705,572					
Total Fund Balances	<u>1,876</u>	<u>335,862</u>	<u>9,240,848</u>	<u>37,791</u>	<u>387,261</u>	<u>2,134</u>	<u>7,859</u>	<u>6,406</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,308</u>	<u>\$ 341,318</u>	<u>\$ 9,642,630</u>	<u>\$ 37,791</u>	<u>\$ 419,945</u>	<u>\$ 34,451</u>	<u>\$ 7,859</u>	<u>\$ 6,406</u>

WASHINGTON 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	Assessor's Late Assessment Fee	American Rescue Plan Act	Crisis Stabilization Unit (non grant)	Northwest Arkansas Regional HIV Clinic	County Law Library	Drug Enforcement- State	Drug Enforcement- Federal
ASSETS								
Cash and cash equivalents	\$ 3,311	\$ 35,018	\$ 25,019,745	\$ 26,452	\$ 93,169	\$ 372,671	\$ 31,196	\$ 71,562
Accounts receivable	16		40,000	19	17,088	8,449	88	
Interfund receivables								
TOTAL ASSETS	<u>\$ 3,327</u>	<u>\$ 35,018</u>	<u>\$ 25,059,745</u>	<u>\$ 26,471</u>	<u>\$ 110,257</u>	<u>\$ 381,120</u>	<u>\$ 31,284</u>	<u>\$ 71,562</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			\$ 25,772		\$ 14,837	\$ 6,469		
Interfund payables								
Settlements pending								
Total Liabilities			<u>25,772</u>		<u>14,837</u>	<u>6,469</u>		
Fund Balances:								
Restricted	\$ 3,327	\$ 35,018	25,033,973			374,651	\$ 31,284	\$ 71,562
Assigned				\$ 26,471	95,420			
Total Fund Balances	<u>3,327</u>	<u>35,018</u>	<u>25,033,973</u>	<u>26,471</u>	<u>95,420</u>	<u>374,651</u>	<u>31,284</u>	<u>71,562</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,327</u>	<u>\$ 35,018</u>	<u>\$ 25,059,745</u>	<u>\$ 26,471</u>	<u>\$ 110,257</u>	<u>\$ 381,120</u>	<u>\$ 31,284</u>	<u>\$ 71,562</u>

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

Schedule 1

SPECIAL REVENUE FUNDS								
	Drug Court Program	High Intensity Drug Trafficking Area (HIDTA) Grant	Rural Community Grant	Juvenile Detention Center Grant	Department of Emergency Management Grant	Drug Court Grant	Law Enforcement Grants	Animal Shelter Grant
ASSETS								
Cash and cash equivalents	\$ 221,021	\$ 51,192	\$ 18,036	\$ 26,313	\$ 122,897	\$ 110,333	\$ 178,426	\$ 11,329
Accounts receivable	219	94,221			4,288			
Interfund receivables			125				11,900	
TOTAL ASSETS	<u>\$ 221,240</u>	<u>\$ 145,413</u>	<u>\$ 18,161</u>	<u>\$ 26,313</u>	<u>\$ 127,185</u>	<u>\$ 110,333</u>	<u>\$ 190,326</u>	<u>\$ 11,329</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 589	\$ 3,735	\$ 8,307		
Interfund payables						11,900		
Settlements pending								
Total Liabilities				<u>589</u>	<u>3,735</u>	<u>20,207</u>		
Fund Balances:								
Restricted	\$ 221,240	\$ 145,413	\$ 13,324	25,724	123,450	90,126	\$ 190,326	\$ 11,329
Assigned			4,837					
Total Fund Balances	<u>221,240</u>	<u>145,413</u>	<u>18,161</u>	<u>25,724</u>	<u>123,450</u>	<u>90,126</u>	<u>190,326</u>	<u>11,329</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 221,240</u>	<u>\$ 145,413</u>	<u>\$ 18,161</u>	<u>\$ 26,313</u>	<u>\$ 127,185</u>	<u>\$ 110,333</u>	<u>\$ 190,326</u>	<u>\$ 11,329</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND
	Juvenile Court Grant	Administrative Office of the Courts Juvenile Court Grant	Emergency Rental Assistance Grant	Emergency Rental Assistance Grant - ERA 2	Crisis Stabilization Unit Grant	Radio System Sales Tax Capital Projects
ASSETS						
Cash and cash equivalents	\$ 790	\$ 43,685	\$ 487,121	\$ 1,485,364	\$ (88,644)	\$ 2,541,178
Accounts receivable					180,333	1,845
Interfund receivables						
TOTAL ASSETS	\$ 790	\$ 43,685	\$ 487,121	\$ 1,485,364	\$ 91,689	\$ 2,543,023
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 15,559
Interfund payables						
Settlements pending						
Total Liabilities						<u>15,559</u>
Fund Balances:						
Restricted	\$ 790	\$ 43,685	\$ 487,121	\$ 1,485,364	\$ 91,689	2,527,464
Assigned						
Total Fund Balances	<u>790</u>	<u>43,685</u>	<u>487,121</u>	<u>1,485,364</u>	<u>91,689</u>	<u>2,527,464</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 790	\$ 43,685	\$ 487,121	\$ 1,485,364	\$ 91,689	\$ 2,543,023

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

Schedule 1

	CUSTODIAL FUNDS							
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Juvenile Detention Center Fee Account	County Judge's Account	Totals
ASSETS								
Cash and cash equivalents	\$ 17,504,871	\$ 1,917,800	\$ 1,195,434	\$ 142,085	\$ 2,570,550	\$ 47	\$ 50	\$ 67,999,305
Accounts receivable								3,033,192
Interfund receivables								16,457
TOTAL ASSETS	<u>\$ 17,504,871</u>	<u>\$ 1,917,800</u>	<u>\$ 1,195,434</u>	<u>\$ 142,085</u>	<u>\$ 2,570,550</u>	<u>\$ 47</u>	<u>\$ 50</u>	<u>\$ 71,048,954</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 582,698
Interfund payables								57,593
Settlements pending	<u>\$ 17,504,871</u>	<u>\$ 1,917,800</u>	<u>\$ 1,195,434</u>	<u>\$ 142,085</u>	<u>\$ 2,570,550</u>	<u>\$ 47</u>	<u>\$ 50</u>	<u>23,330,837</u>
Total Liabilities	<u>17,504,871</u>	<u>1,917,800</u>	<u>1,195,434</u>	<u>142,085</u>	<u>2,570,550</u>	<u>47</u>	<u>50</u>	<u>23,971,128</u>
Fund Balances:								
Restricted								43,909,664
Assigned								3,168,162
Total Fund Balances								<u>47,077,826</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 17,504,871</u>	<u>\$ 1,917,800</u>	<u>\$ 1,195,434</u>	<u>\$ 142,085</u>	<u>\$ 2,570,550</u>	<u>\$ 47</u>	<u>\$ 50</u>	<u>\$ 71,048,954</u>

WASHINGTON 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 Public Library	County Clerk's Operation	Child Support Collections Costs
REVENUES									
State aid				\$ 66,798			\$ 471,606		
Federal aid									
Property taxes							2,752,642		
Sales taxes									
Fines, forfeitures, and costs									
Interest	\$ 9,241	\$ 23,672	\$ 4,443	10,826	\$ 27,128	\$ 30,024	49,958	\$ 1,242	\$ 136
Officers' fees			31,410		106,676	1,316,489		3,950	5,331
Jail phone commission									
Jail fees									
Commissary commission									
911 fees									
Reimbursement for HIV clinic									
Treasurer's commission	250,000								
Collector's commission		750,000							
Other	34	180	619	40		147	530		
TOTAL REVENUES	259,275	773,852	36,472	77,664	133,804	1,346,660	3,274,736	5,192	5,467
Less: Treasurer's commission			138		522	5,303	11,506	20	17
NET REVENUES	259,275	773,852	36,334	77,664	133,282	1,341,357	3,263,230	5,172	5,450
EXPENDITURES									
Current:									
General government	129,085	532,928		17,551	71,522	1,577,927		7,852	4,432
Law enforcement			31,576						
Public safety									
Health									
Recreation and culture							3,262,629		
Social services									
Total Current	129,085	532,928	31,576	17,551	71,522	1,577,927	3,262,629	7,852	4,432
Debt Service:									
Financed purchase principal									
TOTAL EXPENDITURES	129,085	532,928	31,576	17,551	71,522	1,577,927	3,262,629	7,852	4,432
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	130,190	240,924	4,758	60,113	61,760	(236,570)	601	(2,680)	1,018
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out						(54,234)			
TOTAL OTHER FINANCING SOURCES (USES)						(54,234)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	130,190	240,924	4,758	60,113	61,760	(290,804)	601	(2,680)	1,018
FUND BALANCES - JANUARY 1	353,669	1,023,628	132,651	278,647	828,752	1,137,244	1,927,062	37,686	858
FUND BALANCES - DECEMBER 31	\$ 483,859	\$ 1,264,552	\$ 137,409	\$ 338,760	\$ 890,512	\$ 846,440	\$ 1,927,663	\$ 35,006	\$ 1,876

WASHINGTON 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								
	Communication Facility and Equipment	Jail Operations Sales Tax	Boating Safety and Enforcement	Emergency 911	Adult Drug Court Program	Circuit Court Juvenile Division	Juvenile Court Representation	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee
REVENUES									
State aid		\$ 21,530	\$ 10,484						
Federal aid									
Property taxes									\$ 12,338
Sales taxes		15,978,243							
Fines, forfeitures, and costs		740,559							
Interest	\$ 7,980	243,606	1,215	\$ 24,442	\$ 663	\$ 233	\$ 188	\$ 85	856
Officers' fees	34,512				31,008	1,085	815	1,004	
Jail phone commission	217,728								
Jail fees		5,101,273							
Commissary commission		281,724							
911 fees				281,627					
Reimbursement for HIV clinic									
Treasurer's commission									
Collector's commission									
Other	133	332,240		250					
TOTAL REVENUES	260,353	22,699,175	11,699	306,319	31,671	1,318	1,003	1,089	13,194
Less: Treasurer's commission	955	68,115	45	1,200	127	6	4	3	
NET REVENUES	259,398	22,631,060	11,654	305,119	31,544	1,312	999	1,086	13,194
EXPENDITURES									
Current:									
General government									
Law enforcement	183,508	20,789,071	10,969		32,317				
Public safety				446,774					
Health									
Recreation and culture									
Social services									
Total Current	183,508	20,789,071	10,969	446,774	32,317				
Debt Service:									
Financed purchase principal		26,066							
TOTAL EXPENDITURES	183,508	20,815,137	10,969	446,774	32,317				
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	75,890	1,815,923	685	(141,655)	(773)	1,312	999	1,086	13,194
OTHER FINANCING SOURCES (USES)									
Transfers in				75,341					
Transfers out				(946,663)					
TOTAL OTHER FINANCING SOURCES (USES)				(871,322)					
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	75,890	1,815,923	685	(1,012,977)	(773)	1,312	999	1,086	13,194
FUND BALANCES - JANUARY 1	259,972	7,424,925	37,106	1,400,238	2,907	6,547	5,407	2,241	21,824
FUND BALANCES - DECEMBER 31	\$ 335,862	\$ 9,240,848	\$ 37,791	\$ 387,261	\$ 2,134	\$ 7,859	\$ 6,406	\$ 3,327	\$ 35,018

WASHINGTON 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							
	American Rescue Plan Act	Crisis Stabilization Unit (non grant)	Northwest Arkansas Regional HIV Clinic	County Law Library	Drug Enforcement- State	Drug Enforcement- Federal	Drug Court Program	High Intensity Drug Trafficking Area (HIDTA) Grant
REVENUES								
State aid								
Federal aid								\$ 375,490
Property taxes								
Sales taxes								
Fines, forfeitures, and costs				\$ 111,056	\$ 4,360	\$ 8,908		
Interest		\$ 1,190	\$ 5,355	12,005	984	2,238	\$ 6,883	
Officers' fees							1,715	
Jail phone commission								
Jail fees								
Commissary commission								
911 fees								
Reimbursement for HIV clinic			112,500					
Treasurer's commission								
Collector's commission								
Other	\$ 420,000		14,664					
TOTAL REVENUES	420,000	1,190	132,519	123,061	5,344	11,146	8,598	375,490
Less: Treasurer's commission		5	21	430	21		34	
NET REVENUES	420,000	1,185	132,498	122,631	5,323	11,146	8,564	375,490
EXPENDITURES								
Current:								
General government	137,354							
Law enforcement	684,115			147,654	7,530	6,339		261,577
Public safety	1,015,554							
Health		4,000	193,212					
Recreation and culture								
Social services								
Total Current	1,837,023	4,000	193,212	147,654	7,530	6,339		261,577
Debt Service:								
Financed purchase principal								
TOTAL EXPENDITURES	1,837,023	4,000	193,212	147,654	7,530	6,339		261,577
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	(1,417,023)	(2,815)	(60,714)	(25,023)	(2,207)	4,807	8,564	113,913
OTHER FINANCING SOURCES (USES)								
Transfers in	946,663		38,806					
Transfers out								
TOTAL OTHER FINANCING SOURCES (USES)	946,663		38,806					
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	(470,360)	(2,815)	(21,908)	(25,023)	(2,207)	4,807	8,564	113,913
FUND BALANCES - JANUARY 1	25,504,333	29,286	117,328	399,674	33,491	66,755	212,676	31,500
FUND BALANCES - DECEMBER 31	\$ 25,033,973	\$ 26,471	\$ 95,420	\$ 374,651	\$ 31,284	\$ 71,562	\$ 221,240	\$ 145,413

WASHINGTON 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								
	Rural Community Grant	Public Safety Equipment Grant Fund	Juvenile Detention Center Grant	Department of Emergency Management Grant	Drug Court Grant	Law Enforcement Grants	Animal Shelter Grant	Juvenile Court Grant	Administrative Office of the Courts Juvenile Court Grant
REVENUES									
State aid	\$ 46,638	\$ 100,000	\$ 31,167		\$ 160,886				\$ 10,000
Federal aid				\$ 857,436	718,827	\$ 234,577			
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest									
Officers' fees									
Jail phone commission									
Jail fees									
Commissary commission									
911 fees									
Reimbursement for HIV clinic									
Treasurer's commission									
Collector's commission									
Other				40,983					
TOTAL REVENUES	46,638	100,000	31,167	898,419	879,713	234,577			10,000
Less: Treasurer's commission									
NET REVENUES	46,638	100,000	31,167	898,419	879,713	234,577			10,000
EXPENDITURES									
Current:									
General government									
Law enforcement		100,000	29,248		808,871	256,602			3,029
Public safety				780,658					
Health							\$ 1,556		
Recreation and culture	74,211								
Social services									
Total Current	74,211	100,000	29,248	780,658	808,871	256,602	1,556		3,029
Debt Service:									
Financed purchase principal									
TOTAL EXPENDITURES	74,211	100,000	29,248	780,658	808,871	256,602	1,556		3,029
EXCESS OF REVENUES OVER (UNDER)									
EXPENDITURES	(27,573)		1,919	117,761	70,842	(22,025)	(1,556)		6,971
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)									
EXPENDITURES AND OTHER USES	(27,573)		1,919	117,761	70,842	(22,025)	(1,556)		6,971
FUND BALANCES - JANUARY 1	45,734		23,805	5,689	19,284	212,351	12,885	\$ 790	36,714
FUND BALANCES - DECEMBER 31	\$ 18,161	\$ 0	\$ 25,724	\$ 123,450	\$ 90,126	\$ 190,326	\$ 11,329	\$ 790	\$ 43,685

WASHINGTON 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					CAPITAL PROJECTS FUND	
	Arkansas Heritage Preservation Fund	Emergency Rental Assistance Grant	Emergency Rental Assistance Grant - ERA 2	Crisis Stabilization Unit Grant	Court Security Grant Fund	Radio System Sales Tax Capital Projects	Totals
REVENUES							
State aid	\$ 92,294			\$ 1,082,000	\$ 20,000		\$ 2,113,403
Federal aid							2,186,330
Property taxes							2,764,980
Sales taxes							15,978,243
Fines, forfeitures, and costs							864,883
Interest			\$ 3,837	100		\$ 112,449	580,979
Officers' fees							1,533,995
Jail phone commission							217,728
Jail fees							5,101,273
Commissary commission							281,724
911 fees							281,627
Reimbursement for HIV clinic							112,500
Treasurer's commission							250,000
Collector's commission							750,000
Other		\$ 12,159					821,979
TOTAL REVENUES	92,294	12,159	3,837	1,082,100	20,000	112,449	33,839,644
Less: Treasurer's commission						439	88,911
NET REVENUES	92,294	12,159	3,837	1,082,100	20,000	112,010	33,750,733
EXPENDITURES							
Current:							
General government							2,478,651
Law enforcement					20,000		23,372,406
Public safety						3,148,456	5,391,442
Health				991,833			1,190,601
Recreation and culture	92,294						3,429,134
Social services			303,837				303,837
Total Current	92,294		303,837	991,833	20,000	3,148,456	36,166,071
Debt Service:							
Financed purchase principal							26,066
TOTAL EXPENDITURES	92,294		303,837	991,833	20,000	3,148,456	36,192,137
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		12,159	(300,000)	90,267		(3,036,446)	(2,441,404)
OTHER FINANCING SOURCES (USES)							
Transfers in							1,060,810
Transfers out							(1,000,897)
TOTAL OTHER FINANCING SOURCES (USES)							59,913
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		12,159	(300,000)	90,267		(3,036,446)	(2,381,491)
FUND BALANCES - JANUARY 1		474,962	1,785,364	1,422		5,563,910	49,459,317
FUND BALANCES - DECEMBER 31	\$ 0	\$ 487,121	\$ 1,485,364	\$ 91,689	\$ 0	\$ 2,527,464	\$ 47,077,826

WASHINGTON 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 commissions 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 costs of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive at least 35% of fees collected by county clerks to be used to purchase, maintain, and operate an automated records system.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate an automated records system.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
County Clerk's Operation	Ark. Code Ann. § 16-20-407 established fund to account for a \$2 marriage license fee to be used for operation of the county clerk's office.
Child 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 communications equipment and repair and to train operations staff.
Jail Operations Sales Tax	Washington County Ordinance no. 2002-12 (March 26, 2002) established 1/4% sales tax for the maintenance and operation of the jail and sheriff's facilities.
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 a county or for emergency rescue services if the county has not established a patrol.

WASHINGTON 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>
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Adult 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.
Juvenile Court Representation	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.
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 expenses of the office of Circuit Clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201(d) established fund to receive collections from a \$.50 fee levied for delinquent property assessments.
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 COVID-19 public health emergency.
Crisis Stabilization Unit (non grant)	Established to account for monies received benefitting the Crisis Stabilization Unit but not grant related.
Northwest Arkansas Regional HIV Clinic	Originally established to account for state and local grants. Now supported by health insurance proceeds and local contributions.
County Law Library	Ark. Code Ann. § 16-23-105 established fund to receive collections from costs levied and to fund law library expenditures.
Drug Enforcement-State	Ark. Code Ann. § 5-64-505 established fund to separately account for funds received through the Federal Equitable Sharing Agreement.
Drug Enforcement-Federal	Ark. Code Ann. § 5-64-505 established fund to separately account for funds received through the Federal Equitable Sharing Agreement.

WASHINGTON 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>
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.
High Intensity Drug Trafficking Area (HIDTA) Grant	Established to account for federal aid received for High Intensity Drug Trafficking Area.
Rural Community Grant	Established to account for state grants and county and local matching grants.
Public Safety Equipment Grant Fund	Washington County Ordinance 2023-014 (February 21, 2023) established fund to account for a grant received for a equipment upgrades.
Juvenile Detention Center Grant	Established to account for state and federal grants received for operation of the Juvenile Detention Center.
Department of Emergency Management Grant	Established to account for federal grants received for the Department of Emergency Management.
Drug Court Grant	Established to account for the federal and state grants received for operation of the drug court of Washington County.
Law Enforcement Grants	Established to account for federal and state grants and work release fees.
Animal Shelter Grant	Established to account for local grant proceeds received from PetSmart Charities to be used for promoting adoptions for the animal shelter.
Juvenile Court Grant	Established to account for grant received from Arkansas Department of Human Services/ Division of Youth Services and the Arkansas Coalition for Juvenile Justice.
Administrative Office of the Courts Juvenile Court Grant	Established to account for grant received from the Arkansas Administrative Office of the Courts. Program focuses primarily on providing quality representation for children and parents involved in dependency-neglect cases and projects relating to children and families.
Arkansas Heritage Preservation Fund	Established to account for grant received from Arkansas Historic Preservation Program, a division of the Department of Arkansas Heritage.

WASHINGTON 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>
Emergency Rental Assistance Grant	Washington County Ordinance no. 2021-05 (January 21, 2021) established fund to account for federal funds from the Consolidated Appropriations Act. 2021 and authorized the establishment of the Emergency Rental Assistance Program (ERAP) within the County. The ERAP will provide rental assistance to residents of Washington County that are unable to rent due to the COVID-19 Pandemic.
Emergency Rental Assistance Grant - ERA 2	Washington County Ordinance no. 2021-66 (July 15, 2021) established fund to account for federal funds from the Consolidated Appropriations Act. 2021 and authorized the establishment of the Emergency Rental Assistance Program (ERAP) within the County. The ERAP will provide rental assistance to residents of Washington County that are unable to rent due to the COVID-19 Pandemic.
Crisis Stabilization Unit Grant	Established to account for grant monies received from the State of Arkansas for the funding of a unit to give law enforcement officers in Washington, Benton, Madison and Carroll Counties an alternative to jail when encountering people with mental health issues.
Court Security Grant Fund	Washington County Ordinance 2018-28 (June 25, 2018) established fund to account for revenues received from the Arkansas Administrative Office Of the Courts Security and Emergency Preparedness.
Radio System Sales Tax Capital Projects	Washington County Ordinance No. 2019-95 (December 19, 2019) provided for a levy of a one-fourth of one percent sales and use tax to be used to acquire, construct, improve, expand, equip, and maintain public safety communication system facilities.

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

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

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

Juvenile Detention Center Fee Account consists of fees not remitted to the treasurer.

County Judge's account consists of change funds for multiple departments.

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

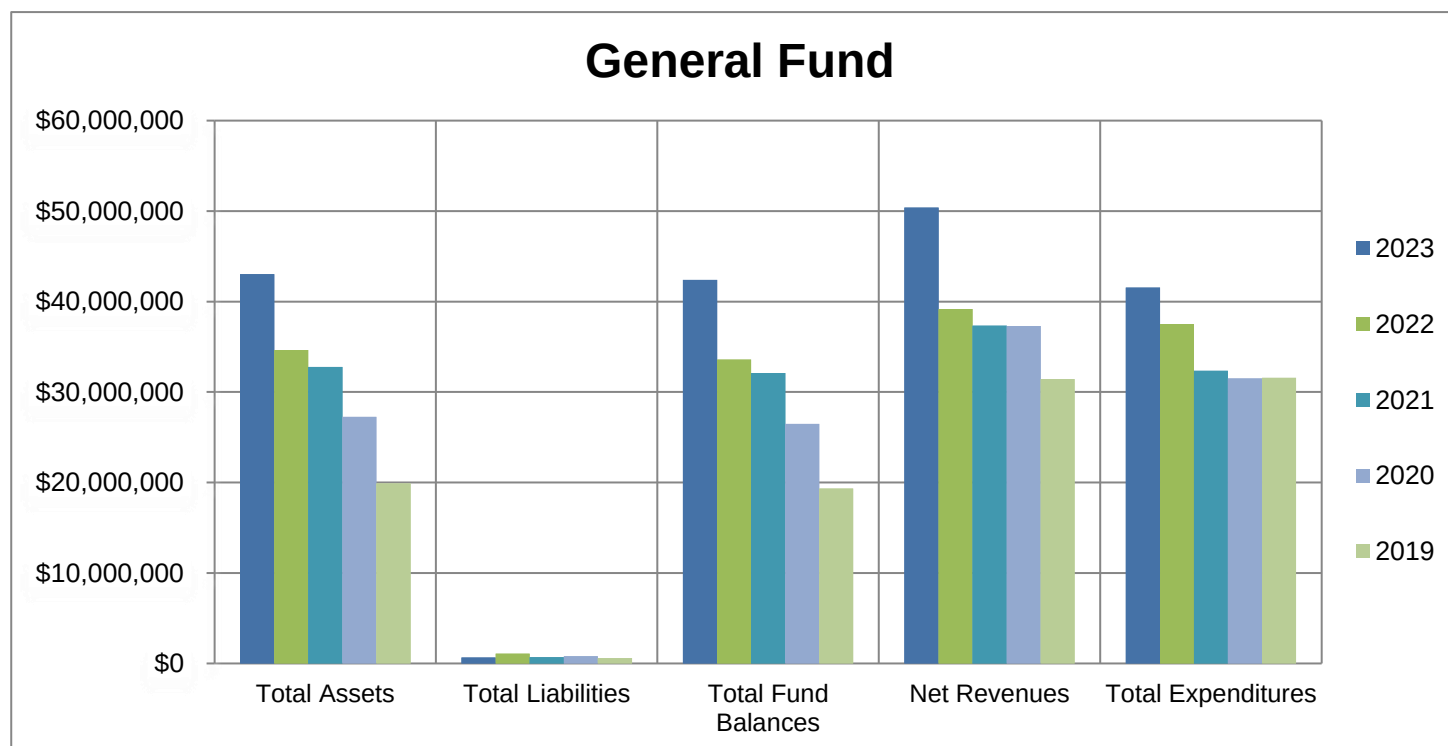
Schedule 3

	December 31, 2023
Land	\$ 3,527,952
Buildings	79,036,432
Equipment	<u>42,257,211</u>
Total	<u><u>\$ 124,821,595</u></u>

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

Schedule 4-1

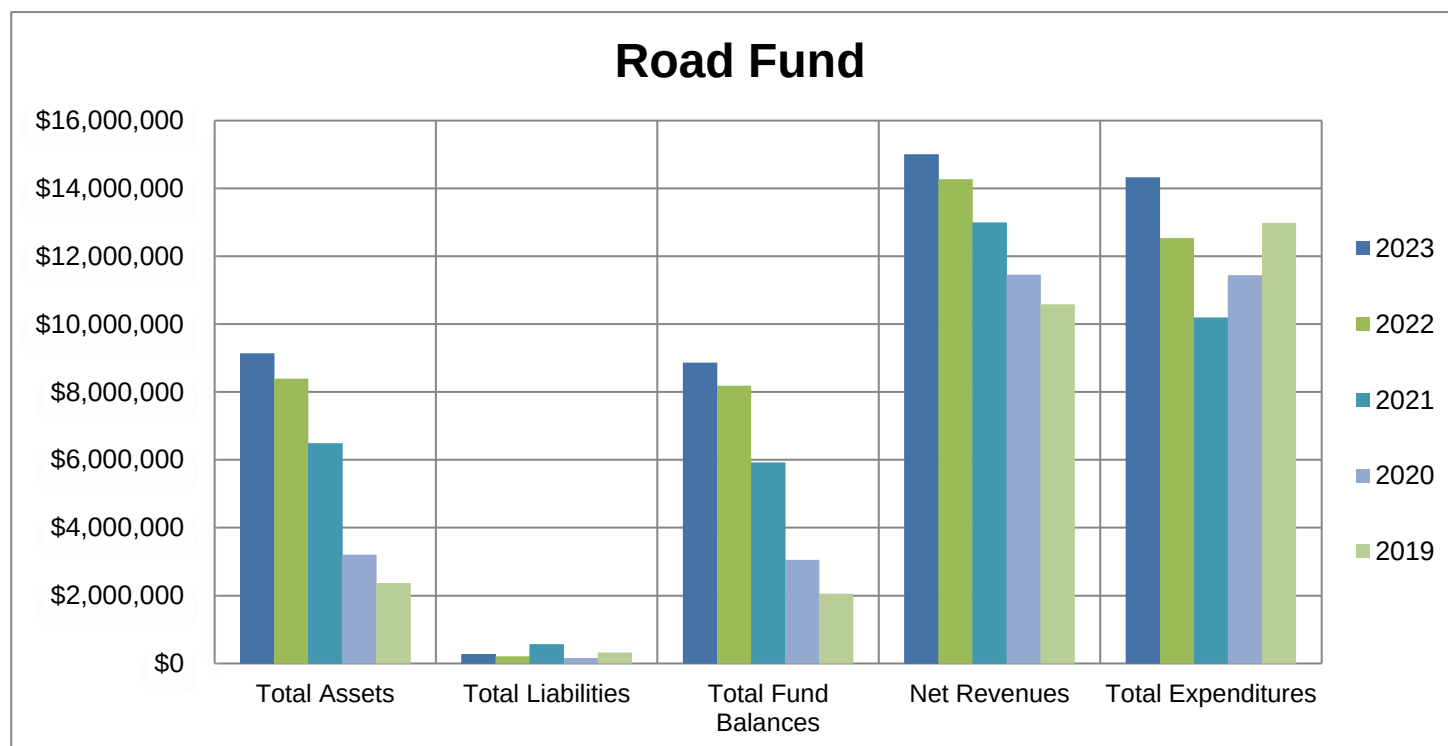
<u>General</u>	2023	2022	2021	2020	2019
Total Assets	\$ 43,038,409	\$ 34,654,646	\$ 32,783,484	\$ 27,258,121	\$ 19,903,259
Total Liabilities	654,712	1,074,126	685,212	786,964	577,893
Total Fund Balances	42,383,697	33,580,520	32,098,272	26,471,157	19,325,366
Net Revenues	50,401,271	39,187,204	37,328,655	37,308,295	31,441,423
Total Expenditures	41,538,181	37,497,889	32,334,792	31,506,929	31,579,670
Total Other Financing Sources/Uses	(59,913)	(207,067)	633,252	1,344,425	834,583



WASHINGTON 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	\$ 9,137,257	\$ 8,386,399	\$ 6,483,532	\$ 3,201,476	\$ 2,362,553
Total Liabilities	277,828	201,839	561,048	152,896	314,927
Total Fund Balances	8,859,429	8,184,560	5,922,484	3,048,580	2,047,626
Net Revenues	14,998,271	14,268,662	12,990,187	11,455,830	10,575,224
Total Expenditures	14,323,402	12,528,165	10,188,458	11,437,789	12,983,965
Total Other Financing Sources/Uses		521,579	72,175	982,913	1,017,459



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

Schedule 4-3

Other Funds in the Aggregate	2023	2022	2021	2020	2019
Total Assets	\$ 71,048,954	\$ 71,384,349	\$ 66,420,521	\$ 39,237,574	\$ 28,529,844
Total Liabilities	23,971,128	21,925,032	21,168,464	26,283,996	15,931,786
Total Fund Balances	47,077,826	49,459,317	45,252,057	12,953,578	12,598,058
Net Revenues	33,750,733	57,611,573	73,521,030	31,555,918	24,428,469
Total Expenditures	36,192,137	53,089,801	40,517,124	28,873,060	28,624,444
Total Other Financing Sources/Uses	59,913	(314,512)	(705,427)	(2,327,338)	6,153,487

