

Hempstead County, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



HEMPSTEAD COUNTY, ARKANSAS
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Financial and Compliance Report

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Arkansas

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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

Financial and Compliance Report

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

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

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Hempstead County, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated July 15, 2025. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

County Judge: Jerry Crane
Treasurer: Judy Lee
Sheriff/Tax Collector: James Singleton
County Clerk: Karen Smith
Circuit Clerk: Gail Wolfenbarger
Assessor: Renee Gilbert
County Librarian: Courtney McNiel
District Court Clerk: Sherri Rateliff

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

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Kevin White", written over a light blue horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
July 15, 2025
LOCO02924

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

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 3,363,764	\$ 3,884,175	\$ 12,458,371
Accounts receivable	<u>449,025</u>	<u>92,117</u>	<u>239,595</u>
TOTAL ASSETS	<u>\$ 3,812,789</u>	<u>\$ 3,976,292</u>	<u>\$ 12,697,966</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 83,597	\$ 162,196	\$ 158,065
Settlements pending	68,220		2,175,218
Total Liabilities	<u>151,817</u>	<u>162,196</u>	<u>2,333,283</u>
Fund Balances:			
Restricted			4,307,552
Committed		3,814,096	3,985,425
Assigned	2,000		2,071,706
Unassigned	3,658,972		
Total Fund Balances	<u>3,660,972</u>	<u>3,814,096</u>	<u>10,364,683</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,812,789</u>	<u>\$ 3,976,292</u>	<u>\$ 12,697,966</u>

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

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 699,438	\$ 1,863,800	\$ 138,177
Federal aid	89,189		7,781
Property taxes	2,202,936	1,067,030	432,225
Sales taxes		888,838	4,988,528
Fines, forfeitures, and costs	493,557		190,512
Interest	166,088	165,077	385,625
Officers' fees	33,960		128,300
Insurance premiums collected	26,253	2,676	
Sanitation fees			372,823
Jail fees			138,950
911 fees			324,969
Treasurer's commission	143,110		30,529
Collector's commission	202,788		77,450
Taxes apportioned - Assessor's salary and expense	362,202		
Other	318,944	203,903	142,915
	<u>4,738,465</u>	<u>4,191,324</u>	<u>7,358,784</u>
Less: Treasurer's commission	41,482	35,567	48,946
NET REVENUES	<u>4,696,983</u>	<u>4,155,757</u>	<u>7,309,838</u>
EXPENDITURES			
Current:			
General government	2,384,772		289,981
Law enforcement	2,183,075		2,488,578
Highways and streets		3,541,035	112,038
Public safety	113,553		578,223
Sanitation			1,221,892
Health	50,667		3,671
Recreation and culture			566,401
Social services	122,801		1,730
Rural water			361,127
Total Current	<u>4,854,868</u>	<u>3,541,035</u>	<u>5,623,641</u>
Debt Service:			
Financed purchase principal			112,252
Financed purchase interest			433
TOTAL EXPENDITURES	<u>4,854,868</u>	<u>3,541,035</u>	<u>5,736,326</u>

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

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (157,885)	\$ 614,722	\$ 1,573,512
OTHER FINANCING SOURCES (USES)			
Transfers in			35,119
Transfers out	(27,000)		(8,119)
Sales tax remitted to University of Arkansas at Hope			(1,954,227)
TOTAL OTHER FINANCING SOURCES (USES)	(27,000)		(1,927,227)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(184,885)	614,722	(353,715)
FUND BALANCES - JANUARY 1	3,845,857	3,199,374	10,718,398
FUND BALANCES - DECEMBER 31	\$ 3,660,972	\$ 3,814,096	\$ 10,364,683

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

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 559,938	\$ 699,438	\$ 139,500	\$ 1,435,000	\$ 1,863,800	\$ 428,800
Federal aid	70,057	89,189	19,132			
Property taxes	1,848,064	2,202,936	354,872	426,100	1,067,030	640,930
Sales taxes				685,000	888,838	203,838
Fines, forfeitures, and costs	385,900	493,557	107,657			
Interest	33,675	166,088	132,413	3,000	165,077	162,077
Officers' fees	31,300	33,960	2,660			
Insurance premiums collected		26,253	26,253		2,676	2,676
Treasurer's commission		143,110	143,110			
Collector's commission	187,500	202,788	15,288			
Taxes apportioned - Assessor's salary and expense		362,202	362,202			
Other		318,944	318,944	15,400	203,903	188,503
TOTAL REVENUES	3,116,434	4,738,465	1,622,031	2,564,500	4,191,324	1,626,824
Less: Treasurer's commission		41,482	(41,482)		35,567	(35,567)
NET REVENUES	3,116,434	4,696,983	1,580,549	2,564,500	4,155,757	1,591,257
EXPENDITURES						
Current:						
General government	4,253,313	2,384,772	1,868,541			
Law enforcement	2,347,424	2,183,075	164,349			
Highways and streets				4,351,331	3,541,035	810,296
Public safety	179,470	113,553	65,917			
Health	72,822	50,667	22,155			
Social services	140,216	122,801	17,415			
TOTAL EXPENDITURES	6,993,245	4,854,868	2,138,377	4,351,331	3,541,035	810,296

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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (3,876,811)	\$ (157,885)	\$ 3,718,926	\$ (1,786,831)	\$ 614,722	\$ 2,401,553
OTHER FINANCING SOURCES (USES)						
Transfers in	136,691		(136,691)	64,337		(64,337)
Transfers out	(27,000)	(27,000)				
TOTAL OTHER FINANCING SOURCES (USES)	109,691	(27,000)	(136,691)	64,337		(64,337)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,767,120)	(184,885)	3,582,235	(1,722,494)	614,722	2,337,216
FUND BALANCES - JANUARY 1	3,046,295	3,845,857	799,562	1,973,181	3,199,374	1,226,193
FUND BALANCES - DECEMBER 31	\$ (720,825)	\$ 3,660,972	\$ 4,381,797	\$ 250,687	\$ 3,814,096	\$ 3,563,409

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

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

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	Solid Waste
ASSETS									
Cash and cash equivalents	\$ 191,520	\$ 592,943	\$ 39,196	\$ 54,666	\$ 90,952	\$ 13,143	\$ 122,891	\$ 1,245,564	\$ 2,107,483
Accounts receivable	30,529	77,450	1,491	1,097	100	265	8,831	17,694	45,297
TOTAL ASSETS	<u>\$ 222,049</u>	<u>\$ 670,393</u>	<u>\$ 40,687</u>	<u>\$ 55,763</u>	<u>\$ 91,052</u>	<u>\$ 13,408</u>	<u>\$ 131,722</u>	<u>\$ 1,263,258</u>	<u>\$ 2,152,780</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable			\$ 1,913	\$ 177			\$ 7,022	\$ 11,326	\$ 38,054
Settlements pending									
Total Liabilities			<u>1,913</u>	<u>177</u>			<u>7,022</u>	<u>11,326</u>	<u>38,054</u>
Fund Balances:									
Restricted	\$ 222,049	\$ 670,393	38,774	55,586	\$ 91,052	\$ 13,408	98,700	1,251,932	
Committed									429,944
Assigned							26,000		1,684,782
Total Fund Balances	<u>222,049</u>	<u>670,393</u>	<u>38,774</u>	<u>55,586</u>	<u>91,052</u>	<u>13,408</u>	<u>124,700</u>	<u>1,251,932</u>	<u>2,114,726</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 222,049</u>	<u>\$ 670,393</u>	<u>\$ 40,687</u>	<u>\$ 55,763</u>	<u>\$ 91,052</u>	<u>\$ 13,408</u>	<u>\$ 131,722</u>	<u>\$ 1,263,258</u>	<u>\$ 2,152,780</u>

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	County Clerk Operating	Child Support Cost	Communication Facility and Equipment	County Detention Facility	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Emergency Vehicle	Victim/Witness
ASSETS								
Cash and cash equivalents	\$ 7,079	\$ 9,253	\$ 150,561	\$ 236,710	\$ 8,378	\$ 890,747	\$ 14,251	\$ 12,782
Accounts receivable	132	88	3,610	6,237	11	2,463	324	1,001
TOTAL ASSETS	\$ 7,211	\$ 9,341	\$ 154,171	\$ 242,947	\$ 8,389	\$ 893,210	\$ 14,575	\$ 13,783
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable						\$ 44,665		\$ 842
Settlements pending								
Total Liabilities						44,665		842
Fund Balances:								
Restricted	\$ 7,211	\$ 9,341	\$ 154,171	\$ 242,947	\$ 8,389	848,545	\$ 14,575	12,941
Committed								
Assigned								
Total Fund Balances	7,211	9,341	154,171	242,947	8,389	848,545	14,575	12,941
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,211	\$ 9,341	\$ 154,171	\$ 242,947	\$ 8,389	\$ 893,210	\$ 14,575	\$ 13,783

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

Schedule 1

SPECIAL REVENUE FUNDS								
	Indigent Defense	Drug Court Program	Public Safety	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	County Jail	District Court Cost	Voluntary Tax / Deputies Salaries
ASSETS								
Cash and cash equivalents	\$ 12,956	\$ 24,773	\$ 17,558	\$ 1,773	\$ 9,908	\$ 570,185	\$ 81,015	\$ 4,132
Accounts receivable	116	27	75	3	14	25,053	482	128
TOTAL ASSETS	\$ 13,072	\$ 24,800	\$ 17,633	\$ 1,776	\$ 9,922	\$ 595,238	\$ 81,497	\$ 4,260
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 1,858					\$ 48,027		
Settlements pending								
Total Liabilities	1,858					48,027		
Fund Balances:								
Restricted	11,214	\$ 24,800	\$ 17,633	\$ 1,776	\$ 9,922	244,359	\$ 81,497	\$ 4,260
Committed								
Assigned						302,852		
Total Fund Balances	11,214	24,800	17,633	1,776	9,922	547,211	81,497	4,260
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,072	\$ 24,800	\$ 17,633	\$ 1,776	\$ 9,922	\$ 595,238	\$ 81,497	\$ 4,260

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

Schedule 1

SPECIAL REVENUE FUNDS

	South Arkansas Water System Grant	Automated Records System Grant	Law Library	Hempstead / Nevada County Drug Court Grant	American Rescue Plan Act	Adult Drug Court	Economic Development Grant - Tyson	Juvenile Court Funds (AOC)
ASSETS								
Cash and cash equivalents	\$ 1	\$ 1	\$ 113,699	\$ 4,046	\$ 8,907	\$ 15,226	\$ 1	\$ 5,000
Accounts receivable			196					
TOTAL ASSETS	<u>1</u>	<u>1</u>	<u>113,895</u>	<u>4,046</u>	<u>8,907</u>	<u>15,226</u>	<u>1</u>	<u>5,000</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 1	\$ 1	\$ 113,895	\$ 4,046	\$ 8,907	\$ 15,226	\$ 1	\$ 5,000
Committed								
Assigned								
Total Fund Balances	<u>1</u>	<u>1</u>	<u>113,895</u>	<u>4,046</u>	<u>8,907</u>	<u>15,226</u>	<u>1</u>	<u>5,000</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>1</u>	<u>1</u>	<u>113,895</u>	<u>4,046</u>	<u>8,907</u>	<u>15,226</u>	<u>1</u>	<u>5,000</u>

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

Schedule 1

	<u>CAPITAL PROJECTS FUNDS</u>		<u>CUSTODIAL FUNDS</u>						
	Capital Improvement / Courthouse	Courthouse Grant	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	District Court Accounts	Totals
ASSETS									
Cash and cash equivalents	\$ 3,617,734	\$ 8,119	\$ 1,176,986	\$ 257,727	\$ 108,433	\$ 340,989	\$ 259,219	\$ 31,864	\$ 12,458,371
Accounts receivable		16,881							239,595
TOTAL ASSETS	<u>\$ 3,617,734</u>	<u>\$ 25,000</u>	<u>\$ 1,176,986</u>	<u>\$ 257,727</u>	<u>\$ 108,433</u>	<u>\$ 340,989</u>	<u>\$ 259,219</u>	<u>\$ 31,864</u>	<u>\$ 12,697,966</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 4,181								\$ 158,065
Settlements pending			\$ 1,176,986	\$ 257,727	\$ 108,433	\$ 340,989	\$ 259,219	\$ 31,864	2,175,218
Total Liabilities	<u>4,181</u>		<u>1,176,986</u>	<u>257,727</u>	<u>108,433</u>	<u>340,989</u>	<u>259,219</u>	<u>31,864</u>	<u>2,333,283</u>
Fund Balances:									
Restricted		\$ 25,000							4,307,552
Committed	3,555,481								3,985,425
Assigned	58,072								2,071,706
Total Fund Balances	<u>3,613,553</u>	<u>25,000</u>							<u>10,364,683</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,617,734</u>	<u>\$ 25,000</u>	<u>\$ 1,176,986</u>	<u>\$ 257,727</u>	<u>\$ 108,433</u>	<u>\$ 340,989</u>	<u>\$ 259,219</u>	<u>\$ 31,864</u>	<u>\$ 12,697,966</u>

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	Solid Waste
REVENUES									
State aid					\$ 6,345			\$ 83,393	
Federal aid									
Property taxes								417,483	
Sales taxes									\$ 1,080,074
Fines, forfeitures, and costs			\$ 14,361	\$ 17,443					
Interest	\$ 9,059	\$ 29,021	739	3,106	4,439		\$ 4,798	60,070	97,404
Officers' fees						\$ 2,971	105,010		
Sanitation fees									372,823
Jail fees									
911 fees									
Treasurer's commission	30,529								
Collector's commission		77,450							
Other							13	12,459	16,102
TOTAL REVENUES	39,588	106,471	15,100	20,549	10,784	2,971	109,821	573,405	1,566,403
Less: Treasurer's commission			8	102	116		1,159	5,225	16,538
NET REVENUES	39,588	106,471	15,092	20,447	10,668	2,971	108,662	568,180	1,549,865
EXPENDITURES									
Current:									
General government	15,146	23,143					57,831		
Law enforcement			3,829	33,524					
Highways and streets									
Public safety									
Sanitation									1,192,375
Health									
Recreation and culture								553,372	
Social services									
Rural water									
Total Current	15,146	23,143	3,829	33,524			57,831	553,372	1,192,375
Debt Service:									
Financed purchase principal									112,252
Financed purchase interest									433
TOTAL EXPENDITURES	15,146	23,143	3,829	33,524			57,831	553,372	1,305,060
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	24,442	83,328	11,263	(13,077)	10,668	2,971	50,831	14,808	244,805
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Sales tax remitted to University of Arkansas at Hope									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	24,442	83,328	11,263	(13,077)	10,668	2,971	50,831	14,808	244,805
FUND BALANCES - JANUARY 1	197,607	587,065	27,511	68,663	80,384	10,437	73,869	1,237,124	1,869,921
FUND BALANCES - DECEMBER 31	\$ 222,049	\$ 670,393	\$ 38,774	\$ 55,586	\$ 91,052	\$ 13,408	\$ 124,700	\$ 1,251,932	\$ 2,114,726

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	County Clerk Operating	Child Support Cost	Communication Facility and Equipment	County Detention Facility	Boating Safety and Enforcement	CMRS 911 Board (Commercial Mobile Radio Service)	Emergency Vehicle	Victim/Witness	Indigent Defense
REVENUES									
State aid					\$ 1,462				\$ 1,370
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs				\$ 65,117			\$ 4,581	\$ 44,259	11,725
Interest			\$ 6,714			\$ 39,639	892	418	842
Officers' fees	\$ 1,294	\$ 9,440	9,460						
Sanitation fees									
Jail fees				2,130					
911 fees						324,969			
Treasurer's commission									
Collector's commission									
Other	11		27,069			60		3,524	9,975
TOTAL REVENUES	1,305	9,440	43,243	67,247	1,462	364,668	5,473	48,201	23,912
Less: Treasurer's commission		101	169	718	13	697	10	479	135
NET REVENUES	1,305	9,339	43,074	66,529	1,449	363,971	5,463	47,722	23,777
EXPENDITURES									
Current:									
General government									
Law enforcement			22,882		8,019		18,293	66,329	37,704
Highways and streets									
Public safety						264,052			
Sanitation									
Health									
Recreation and culture									
Social services									
Rural water									
Total Current			22,882		8,019	264,052	18,293	66,329	37,704
Debt Service:									
Financed purchase principal									
Financed purchase interest									
TOTAL EXPENDITURES			22,882		8,019	264,052	18,293	66,329	37,704
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,305	9,339	20,192	66,529	(6,570)	99,919	(12,830)	(18,607)	(13,927)
OTHER FINANCING SOURCES (USES)									
Transfers in								27,000	
Transfers out									
Sales tax remitted to University of Arkansas at Hope									
TOTAL OTHER FINANCING SOURCES (USES)								27,000	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,305	9,339	20,192	66,529	(6,570)	99,919	(12,830)	8,393	(13,927)
FUND BALANCES - JANUARY 1	5,906	2	133,979	176,418	14,959	748,626	27,405	4,548	25,141
FUND BALANCES - DECEMBER 31	\$ 7,211	\$ 9,341	\$ 154,171	\$ 242,947	\$ 8,389	\$ 848,545	\$ 14,575	\$ 12,941	\$ 11,214

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Drug Court Program	Public Safety	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	County Jail	District Court Cost	Voluntary Tax / Deputies Salaries	South Arkansas Water System Grant	Automated Records System Grant
REVENUES									
State aid									
Federal aid									
Property taxes				\$ 1,009			\$ 13,733		
Sales taxes					\$ 1,954,227				
Fines, forfeitures, and costs	\$ 2,665	\$ 963				\$ 8,238			
Interest				455	18,082				
Officers' fees			\$ 125						
Sanitation fees									
Jail fees					136,820				
911 fees									
Treasurer's commission									
Collector's commission									
Other	331				72,945	426			
TOTAL REVENUES	2,996	963	125	1,464	2,182,074	8,664	13,733		
Less: Treasurer's commission	31		3	16	22,961	91	147		
NET REVENUES	2,965	963	122	1,448	2,159,113	8,573	13,586		
EXPENDITURES									
Current:									
General government									
Law enforcement	1,328				1,704,989	852	13,202		
Highways and streets									
Public safety									
Sanitation									
Health									
Recreation and culture									
Social services									
Rural water								\$ 361,127	
Total Current	1,328				1,704,989	852	13,202	361,127	
Debt Service:									
Financed purchase principal									
Financed purchase interest									
TOTAL EXPENDITURES	1,328				1,704,989	852	13,202	361,127	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,637	963	122	1,448	454,124	7,721	384	(361,127)	
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Sales tax remitted to University of Arkansas at Hope									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,637	963	122	1,448	454,124	7,721	384	(361,127)	
FUND BALANCES - JANUARY 1	23,163	16,670	1,654	8,474	93,087	73,776	3,876	361,128	\$ 1
FUND BALANCES - DECEMBER 31	\$ 24,800	\$ 17,633	\$ 1,776	\$ 9,922	\$ 547,211	\$ 81,497	\$ 4,260	\$ 1	\$ 1

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Selective Traffic Enforcement Grant	Law Library	University of Arkansas Community College at Hope	Hempstead / Nevada County Drug Court Grant	American Rescue Plan Act	Adult Drug Court	Juvenile Drug Court Grant	Economic Development Grant - Tyson	Juvenile Court Funds (AOC)
REVENUES									
State aid						\$ 16,226	\$ 7,500		\$ 5,000
Federal aid	\$ 7,781								
Property taxes									
Sales taxes			\$ 1,954,227						
Fines, forfeitures, and costs		\$ 21,160							
Interest		5,425			\$ 31,856				
Officers' fees									
Sanitation fees									
Jail fees									
911 fees									
Treasurer's commission									
Collector's commission									
Other									
TOTAL REVENUES	7,781	26,585	1,954,227		31,856	16,226	7,500		5,000
Less: Treasurer's commission		227							
NET REVENUES	7,781	26,358	1,954,227		31,856	16,226	7,500		5,000
EXPENDITURES									
Current:									
General government					156,682				
Law enforcement	12,731	16,395			540,001	1,000	7,500		
Highways and streets					112,038				
Public safety					314,171				
Sanitation					29,517				
Health					3,671				
Recreation and culture					13,029				
Social services					1,730				
Rural water									
Total Current	12,731	16,395			1,170,839	1,000	7,500		
Debt Service:									
Financed purchase principal									
Financed purchase interest									
TOTAL EXPENDITURES	12,731	16,395			1,170,839	1,000	7,500		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,950)	9,963	1,954,227		(1,138,983)	15,226			5,000
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out					(8,119)				
Sales tax remitted to University of Arkansas at Hope			(1,954,227)						
TOTAL OTHER FINANCING SOURCES (USES)			(1,954,227)		(8,119)				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(4,950)	9,963			(1,147,102)	15,226			5,000
FUND BALANCES - JANUARY 1	4,950	103,932		\$ 4,046	1,156,009			\$ 1	
FUND BALANCES - DECEMBER 31	\$ 0	\$ 113,895	\$ 0	\$ 4,046	\$ 8,907	\$ 15,226	\$ 0	\$ 1	\$ 5,000

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

Schedule 2

	CAPITAL PROJECTS FUNDS		
	Capital Improvement / Courthouse	Courthouse Grant	Totals
REVENUES			
State aid		\$ 16,881	\$ 138,177
Federal aid			7,781
Property taxes			432,225
Sales taxes			4,988,528
Fines, forfeitures, and costs			190,512
Interest	\$ 72,666		385,625
Officers' fees			128,300
Sanitation fees			372,823
Jail fees			138,950
911 fees			324,969
Treasurer's commission			30,529
Collector's commission			77,450
Other			142,915
TOTAL REVENUES	72,666	16,881	7,358,784
Less: Treasurer's commission			48,946
NET REVENUES	72,666	16,881	7,309,838
EXPENDITURES			
Current:			
General government	37,179		289,981
Law enforcement			2,488,578
Highways and streets			112,038
Public safety			578,223
Sanitation			1,221,892
Health			3,671
Recreation and culture			566,401
Social services			1,730
Rural water			361,127
Total Current	37,179		5,623,641
Debt Service:			
Financed purchase principal			112,252
Financed purchase interest			433
TOTAL EXPENDITURES	37,179		5,736,326
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	35,487	16,881	1,573,512
OTHER FINANCING SOURCES (USES)			
Transfers in		8,119	35,119
Transfers out			(8,119)
Sales tax remitted to University of Arkansas at Hope			(1,954,227)
TOTAL OTHER FINANCING SOURCES (USES)		8,119	(1,927,227)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	35,487	25,000	(353,715)
FUND BALANCES - JANUARY 1	3,578,066		10,718,398
FUND BALANCES - DECEMBER 31	\$ 3,613,553	\$ 25,000	\$ 10,364,683

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Solid Waste	Ark. Code Ann. § 8-6-212 established fund to collect fees and other funds to defray the county's share of the cost of operating the solid waste management facility.
County Clerk Operating	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for county clerk's cost.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.
County Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive 90% of a \$40 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility or for certificate pay for law enforcement and jailer personnel.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
CMRS 911 Board (Commercial Mobile Radio Service)	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
Emergency Vehicle	Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Indigent Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court, defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail. Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.

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

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

<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.
Public Safety	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines levied for violations of the Child Passenger Protection Code to be used for promotion of public safety.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the commissioner's duties and for general operations expense of the office of circuit clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
County Jail	Hempstead County Ordinance nos. 1991-31 and 1991-32 (December 19, 1991) established fund to receive sales tax revenues to be used for the payment of bonds for the construction of a jail and for maintenance and operation of the Hempstead County Jail. All bonds were retired in 2003. Revenues are currently used for the operation and maintenance of the jail facility.
	Hempstead County Ordinance no. 2012-06 (February 23, 2012) (pursuant to Ark. Code Ann. § 12-41-505) requiring every person who may be committed to the common jail of the County for any criminal offense or misdemeanor, if he or she shall pay the expenses of carrying him or her to jail and also for his or her support from the day of his or her initial incarceration for the whole time he or she remains there.
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes district court filing fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
Voluntary Tax / Deputies Salaries	Hempstead County Ordinance no. 2015-16 (October 22, 2015), pursuant to Ark. Code Ann. §§ 26-25-106, 26-73-103, established fund to receive annual voluntary tax in the amount of \$10 levied on every tax statement for real property in Hempstead County. The funds are to be used to increase the salaries of certified Hempstead County Sheriff deputies.
South Arkansas Water System Grant	Established to account for federal grant proceeds for construction of water lines to service residents within Hempstead County who are currently without a dependable source of drinking water.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Automated Records System Grant	Established to account for an Association of Arkansas Counties Automated Records Fund Grant, authorized by Ark. Code Ann. § 14-20-107, to purchase technology to improve the automation of the Circuit Clerk's office and/or the services that office may provide.
Selective Traffic Enforcement Grant	Established to account for federal grant proceeds to be used by law enforcement for equipment, technology, and overtime expenses during high visibility traffic safety campaigns and/or mobilizations.
Law Library	Ark. Code Ann. §§ 16-23-101 - 105 established fund to receive costs levied on criminal and civil cases to be used for any purpose related to the establishment, maintenance, and operations of a county law library.
University of Arkansas Community College at Hope	Established to receive and remit two one-quarter cent sales taxes to UACCH to be used for acquiring, constructing, equipping, operating, and maintaining capital improvements. The sales taxes were approved by voters on March 5, 1996, and March 11, 2008.
Hempstead / Nevada County Drug Court Grant	Established to account for an Arkansas Community Correction grant and a private donation to be used for drug court purposes.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Adult Drug Court	Established to account for an Arkansas Community Correction grant to be used for adult drug court purposes.
Juvenile Drug Court Grant	Established to account for an Arkansas Specialty Court Program grant to be used for juvenile drug court program.
Economic Development Grant - Tyson	Established to account for federal grant proceeds for highway infrastructure improvements in association with industrial development.
Juvenile Court Funds (AOC)	Established to account for an Administrative Office of Courts grant to be used for juvenile officer services.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Capital Improvement / Courthouse	Hempstead County Ordinance no. 2017-26 (December 12, 2017) established fund to receive monies set aside by the Quorum Court to fund renovation of new courthouse property. Hempstead County Ordinance no. 2019-21 (December 2, 2019), as approved by referendum on March 3, 2020, providing for the levy of a temporary 1% sales and use tax, which expired on June 30, 2022. The tax is to be used for acquiring, constructing, improving, remodeling, equipping, furnishing, repairing, operating, and maintaining a new County courthouse, and any necessary land acquisition, relocation costs and parking, drainage, flood control, lighting, street, road, curb, and utility improvements therefore and preserving, repairing and demolishing all or a portion of the existing County courthouse and remediating any environmental hazards therein or associated therewith.
Courthouse Grant	Established to account for grant received from the Arkansas Historic Preservation Program, an agency of the Department of Arkansas Heritage, for repairs to restore the courthouse.

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

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

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

County Clerk's accounts consist primarily of trust money.

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

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

HEMPSTEAD COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

1. A. **Basis of Presentation - Regulatory**

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

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

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

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

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

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

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

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

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

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

HEMPSTEAD COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

1. (Continued)

B. Basis of Accounting - Regulatory

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

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts, and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, and treasurer's commission, collector's commission, excess assessor's salary and expense, and other funds that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
3. Assigned fund balance – amounts that are constrained by the Quorum Court's intent to be used for specific purposes but are neither restricted nor committed.
4. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

D. Property Taxes

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

HEMPSTEAD COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

1. (Continued)

E. Budget Law

1. Legal Requirements

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

2. Accounting

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

F. Fund Balance Classification Policies and Procedures

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

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

HEMPSTEAD COUNTY, ARKANSAS
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(UNAUDITED)

2. Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 1,132,762
Law enforcement			1,031,680
Public safety			866,178
Recreation and culture			1,251,932
Capital outlay			25,000
Total Restricted			4,307,552
Committed for:			
Highways and streets		\$ 3,814,096	
Sanitation			429,944
Capital outlay			3,555,481
Total Committed		3,814,096	3,985,425
Assigned to:			
General government			26,000
Law enforcement	\$ 2,000		302,852
Sanitation			1,684,782
Capital outlay			58,072
Total Assigned	2,000		2,071,706
Unassigned	3,658,972		
Totals	\$ 3,660,972	\$ 3,814,096	\$ 10,364,683

3. Commitments

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

	December 31, 2024
Long-term liabilities	\$ 224,443
Reappraisal contract	296,600
Total Commitments	\$ 521,043

HEMPSTEAD COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
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(UNAUDITED)

3. Commitments (Continued)

Long-term Liabilities

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

	December 31, 2024
Arkansas District Judge Retirement unfunded liability due to the Arkansas Public Retirement System (APERS) determined by actuarial valuation as of December 31, 2004, and amortized over a 30-year period. Payment amounts are adjusted annually by APERS. Payments are to be made from the General Fund.	\$ 73,516
Compensated absences consisting of accrued vacation adjusted to current salary cost	150,927
Total Long-term liabilities	\$ 224,443

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

Change in Compensated Absences

	December 31, 2024
Beginning balance compensated absences	\$ 149,485
Ending balance compensated absences	150,927
Net increase (decrease)	\$ 1,442

Post Employment Benefits Other Than Pensions

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

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
<u>Direct Borrowings</u>				
Financed purchases	\$ 112,252	\$ 0	\$ 112,252	\$ 0

County-Wide Reappraisal Contract

The County entered into a contract with Arkansas CAMA Technology on November 29, 2021, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$12,358 for a total of \$741,500 beginning February 1, 2022. Contract expense for 2024, was \$148,300.

HEMPSTEAD COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

3. Commitments (Continued)

County-Wide Reappraisal Contract (Continued)

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

<u>Year</u>	<u>December 31, 2024</u>
2025	\$ 148,300
2026	<u>148,300</u>
Total	<u>\$ 296,600</u>

4. Interfund Transfers

The General Fund transferred \$27,000 to Other Funds in the Aggregate (Victim/Witness) for operating purposes. Within Other Funds in the Aggregate, \$8,119 was transferred from American Rescue Plan Act Fund to the Courthouse Grant Fund for future capital projects.

5. Jointly Governed Organizations

Upper Southwest Arkansas Regional Solid Waste Management District

The County paid Upper Southwest Arkansas Regional Solid Waste Management District \$176,474 during 2024. The Upper Southwest Arkansas Regional Solid Waste Management District is a jointly governed organization comprised of representatives from Howard, Pike, Sevier, Little River, Hempstead, Lafayette, Montgomery, Nevada, and Polk Counties and participating cities within the counties. Representatives are the respective county judges and mayors unless some other representative is appointed by the participating entity. Separate audited financial statements for the Upper Southwest Arkansas Regional Solid Waste Management District are available at www.arklegaudit.gov.

Eighth North Drug Task Force

The Prosecuting Attorney of the Eighth-North Judicial District, the Sheriffs' Departments of Hempstead and Nevada Counties, and the Police Departments of Hope and Prescott entered into an agreement to establish the Eighth North Drug Task Force. The agreement became effective on April 1, 2018, and shall be in effect until such time a party provides notice of their intent not to continue in this task force. The task force is governed by a board of directors consisting of the Prosecuting Attorney, Hempstead County Sheriff, Nevada County Sheriff, Prescott Police Chief, and Hope Police Chief. Funding for the task force will come from monies seized by officers during drug arrests and forfeited by court order to the Eighth North Judicial District Drug Control Fund administered by the Prosecutor's office. There were no payments made to or on behalf of the Eighth North Drug Task Force by the County in 2024. Separate financial statements for the Eighth North Drug Task Force are not available.

6. 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.

HEMPSTEAD COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2024
(UNAUDITED)

6. Arkansas Public Employees Retirement System (Continued)

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.75% as of July 1, 2024. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2024, (date of APERS Employer Allocation Report) were \$747,574.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2024, (actuarial valuation date and measurement date) was \$5,344,608.

7. Capital Assets

The County's capital assets records are summarized below :

	December 31, 2024
Land	\$ 587,437
Buildings	15,859,538
Equipment	10,324,695
Total	<u>\$ 26,771,670</u>

8. Federal Funds Program Compliance

The County has not yet received the report for the audit of federal grants in accordance with federal program requirements and therefore, any instances of noncompliance with federal grant requirements have not been determined. However, an alternative compliance examination engagement is currently being conducted. Disbursements that are not in accordance with federal program requirements are subject to reimbursement by the County.

9. Acquisition, Operation, and Lease of Hospital Facilities

On September 11, 2024, the City of Hope and Hempstead County transferred ownership of the Wadley Regional Medical Center at Hope.

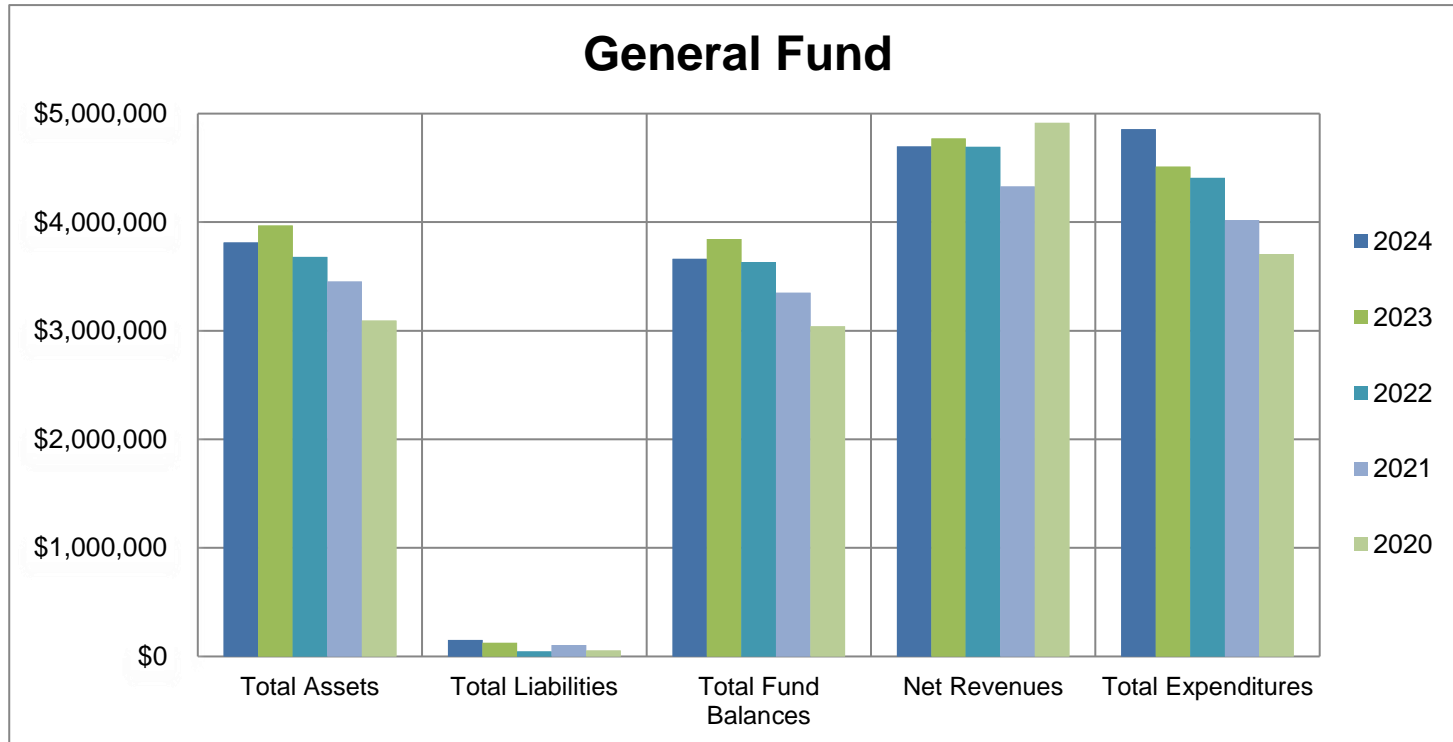
On September 20, 2024, Southwest Arkansas Regional Medical Center, LLC entered into a lease agreement with the City of Hope and Hempstead County to lease the facilities until December 31, 2029, for \$1 annually.

On November 20, 2024, the City of Hope and Hempstead County declared the threat of the Hospital closing to be a public emergency and each appropriated \$1,000,000 toward hospital operations taken over by Southwest Arkansas Regional Medical Center, LLC. The initial payment of \$400,000 was made immediately and the remaining payments were to be made in six monthly payments of \$100,000 due on the 15th day of each month. Payments during the year totaled \$500,000.

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

Schedule 3-1

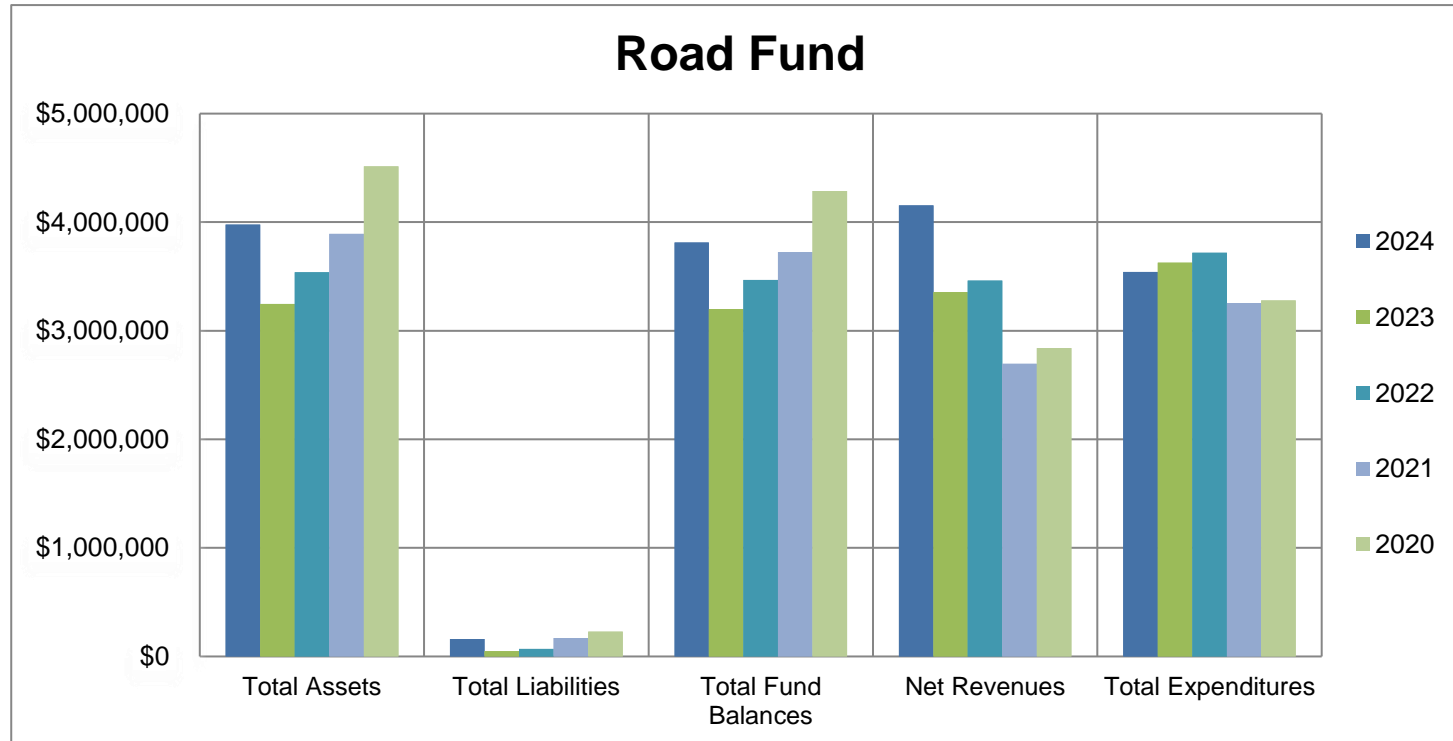
<u>General</u>	2024	2023	2022	2021	2020
Total Assets	\$ 3,812,789	\$ 3,970,015	\$ 3,679,969	\$ 3,454,492	\$ 3,093,201
Total Liabilities	151,817	124,158	46,571	104,818	53,277
Total Fund Balances	3,660,972	3,845,857	3,633,398	3,349,674	3,039,924
Net Revenues	4,696,983	4,770,890	4,695,215	4,327,352	4,915,041
Total Expenditures	4,854,868	4,510,867	4,407,441	4,017,602	3,706,448
Total Other Financing Sources/Uses	(27,000)	(47,564)	(4,050)		(71,072)



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

Schedule 3-2

<u>Road</u>	2024	2023	2022	2021	2020
Total Assets	\$ 3,976,292	\$ 3,247,898	\$ 3,539,355	\$ 3,893,635	\$ 4,515,400
Total Liabilities	162,196	48,524	70,506	168,586	228,530
Total Fund Balances	3,814,096	3,199,374	3,468,849	3,725,049	4,286,870
Net Revenues	4,155,757	3,356,146	3,461,895	2,695,172	2,840,483
Total Expenditures	3,541,035	3,625,621	3,718,095	3,256,993	3,280,283
Total Other Financing Sources/Uses					



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	2024	2023	2022	2021	2020
Total Assets	\$ 12,697,966	\$ 12,895,456	\$ 14,103,435	\$ 9,831,738	\$ 7,125,738
Total Liabilities	2,333,283	2,177,058	2,294,527	2,077,940	2,925,214
Total Fund Balances	10,364,683	10,718,398	11,808,908	7,753,798	4,200,524
Net Revenues	7,309,838	7,572,365	11,732,376	13,313,699	8,541,648
Total Expenditures	5,736,326	6,797,810	5,784,273	8,028,034	7,315,490
Total Other Financing Sources/Uses	(1,927,227)	(1,865,065)	(1,892,993)	(1,732,391)	(1,505,233)

