Hot Spring County, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE

HOT SPRING COUNTY, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

Arkansas

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Sen. Jim Dotson
Senate Vice Chair

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Hot Spring 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 Hot Spring County, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated May 7, 2026. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The commentary contained in this section relates to the following officials who held office during 2024:

County Judge: Dennis Thornton
Treasurer: Glorie Thornton
Sheriff: Shane Davis
Tax Collector: Sheri Oden
County Clerk: Patty Griggs
Circuit Clerk: Teresa Pilcher
Assessor: Blake Riggan
County Librarian: Clare Graham
Juvenile Probation Officer: Scott Walters

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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
May 7, 2026
LOCO03024

Exhibit A

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

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	$ 9,056,370	$ 1,657,136	$ 7,331,139
Investments			958,218
Accounts receivable	298,838	66,870	206,750
TOTAL ASSETS	$ 9,355,208	$ 1,724,006	$ 8,496,107
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 140,918	$ 19,589	$ 198,166
Settlements pending	743,104		981,057
Total Liabilities	884,022	19,589	1,179,223
Fund Balances:			
Restricted	64,697	1,577,004	6,872,584
Committed		127,413	
Assigned	5,932,772		444,300
Unassigned	2,473,717		
Total Fund Balances	8,471,186	1,704,417	7,316,884
TOTAL LIABILITIES AND FUND BALANCES	$ 9,355,208	$ 1,724,006	$ 8,496,107

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	$ 867,569	$ 2,468,479	$ 502,563
Federal aid	88,636	41,009	
Property taxes	2,540,897	1,239,950	470,186
Sales taxes			5,454,642
Fines, forfeitures, and costs	384,883		79,607
Interest	423,462	94,403	302,491
Officers' fees	56,660		192,713
Jail fees	267,956		55,319
911 fees			512,903
Industrial park rent	213,687	21,000	
Jail commissary and phone commissions			46,270
Library fees			10,897
Salary reimbursements	230,796		98,371
Realized gains on investments			47,243
Net increase/decrease in value of investments			47,405
Donations	30,000		39,622
Insurance premiums returned	224,766		
Refunds	6,666		17,639
Treasurer's commission	187,743		39,925
Collector's commission	240,044		104,598
Taxes apportioned - Assessor's salary and expense	393,110		
Other	205,012	39,048	6,809
TOTAL REVENUES	6,361,887	3,903,889	8,029,203
Less: Treasurer's commission	62,889	41,325	78,235
NET REVENUES	6,298,998	3,862,564	7,950,968
EXPENDITURES			
Current:			
General government	2,409,215		1,222,275
Law enforcement	3,057,797		316,056
Highways and streets		4,164,308	
Public safety	90,514		754,386
Sanitation			35,454
Health	25,670		
Recreation and culture			604,024
Social services	119,622		
Total Current	5,702,818	4,164,308	2,932,195
Debt Service:			
Financed purchase principal	83,452	62,209	
Financed purchase interest	208,811	21,488	
TOTAL EXPENDITURES	5,995,081	4,248,005	2,932,195

HOT SPRING COUNTY, ARKANSAS

Exhibit B

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	$ 303,917	$ (385,441)	$ 5,018,773
OTHER FINANCING SOURCES (USES)			
Transfers in	1,324,528		617,853
Transfers out	(470,418)		(1,471,963)
Sales tax remitted to hospital			(1,847,182)
Sales tax remitted to solid waste authority			(2,536,316)
Sales tax remitted to cities			(13,244)
TOTAL OTHER FINANCING SOURCES (USES)	854,110		(5,250,852)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,158,027	(385,441)	(232,079)
FUND BALANCES - JANUARY 1	7,313,159	2,089,858	7,548,963
FUND BALANCES - DECEMBER 31	$ 8,471,186	$ 1,704,417	$ 7,316,884

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

HOT SPRING COUNTY, ARKANSAS

Exhibit C

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)

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	$ 810,000	$ 867,569	$ 57,569	$ 1,593,000	$ 2,468,479	$ 875,479
Federal aid	92,500	88,636	(3,864)	280	41,009	40,729
Property taxes	2,279,000	2,540,897	261,897	1,080,500	1,239,950	159,450
Sales taxes				650,000		(650,000)
Fines, forfeitures, and costs	277,000	384,883	107,883			
Interest	150,700	423,462	272,762	63,500	94,403	30,903
Officers' fees	23,400	56,660	33,260			
Jail fees	170,000	267,956	97,956			
Industrial park rent		213,687	213,687		21,000	21,000
Salary reimbursements	196,200	230,796	34,596			
Donations		30,000				
Insurance premiums returned		224,766				
Refunds		6,666				
Treasurer's commission	163,000	187,743	24,743			
Collector's commission	200,000	240,044	40,044			
Taxes apportioned - Assessor's salary and expense	300,000	393,110	93,110			
Other	101,500	205,012	103,512	84,295	39,048	(45,247)
TOTAL REVENUES	4,763,300	6,361,887	1,337,155	3,471,575	3,903,889	432,314
Less: Treasurer's commission		62,889	(62,889)		41,325	(41,325)
NET REVENUES	4,763,300	6,298,998	1,535,698	3,471,575	3,862,564	390,989
EXPENDITURES						
Current:						
General government	2,570,788	2,409,215	161,573			
Law enforcement	3,448,109	3,057,797	390,312			
Highways and streets				4,600,563	4,164,308	436,255
Public safety	102,482	90,514	11,968			
Health	34,560	25,670	8,890			
Social services	126,001	119,622	6,379			
Total Current	6,281,940	5,702,818	579,122	4,600,563	4,164,308	436,255
Debt Service:						
Financed purchase principal		83,452	(83,452)		62,209	(62,209)
Financed purchase interest		208,811	(208,811)		21,488	(21,488)
TOTAL EXPENDITURES	6,281,940	5,995,081	286,859	4,600,563	4,248,005	352,558

HOT SPRING 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	$ (1,518,640)	$ 303,917	$ 1,822,557	$ (1,128,988)	$ (385,441)	$ 743,547
OTHER FINANCING SOURCES (USES)						
Transfers in	1,000,000	1,324,528	324,528			
Transfers out	(513,093)	(470,418)	42,675			
TOTAL OTHER FINANCING SOURCES (USES)	486,907	854,110	367,203			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,031,733)	1,158,027	2,189,760	(1,128,988)	(385,441)	743,547
FUND BALANCES - JANUARY 1	5,051,111	7,313,159	2,262,048	1,906,390	2,089,858	183,468
FUND BALANCES - DECEMBER 31	$ 4,019,378	$ 8,471,186	$ 4,451,808	$ 777,402	$ 1,704,417	$ 927,015

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

HOT SPRING 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	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Solid Waste Sales Tax	Support Collections Costs
ASSETS									
Cash and cash equivalents	$ 268,674	$ 287,481	$ 36,384	$ 54,682	$ 35,543	$ 68,916	$ 687,164	$ 727,885	$ 6,535
Investments									
Accounts receivable		104,598	218	124	704	14,553	18,085	25,821	12
TOTAL ASSETS	$ 268,674	$ 392,079	$ 36,602	$ 54,806	$ 36,247	$ 83,469	$ 705,249	$ 753,706	$ 6,547
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	$ 856					$ 18,819	$ 7,905		$ 112
Settlements pending									
Total Liabilities	856					18,819	7,905		112
Fund Balances:									
Restricted	267,818	$ 392,079	$ 36,602	$ 54,806	$ 36,247	64,650	697,344	$ 753,706	6,435
Assigned									
Total Fund Balances	267,818	392,079	36,602	54,806	36,247	64,650	697,344	753,706	6,435
TOTAL LIABILITIES AND FUND BALANCES	$ 268,674	$ 392,079	$ 36,602	$ 54,806	$ 36,247	$ 83,469	$ 705,249	$ 753,706	$ 6,547

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Drug Control	Intoximeter	County Detention Facility	County Emergency Rescue	Emergency 911	Emergency Vehicle	Public Defender	Adult Drug Court
ASSETS								
Cash and cash equivalents	$ 4,764	$ 5,381	$ 67,776	$ 29,613	$ 376,542	$ 5,487	$ 13,297	$ 16,409
Investments								
Accounts receivable		4	5,087	46	6,648	1,322	132	133
TOTAL ASSETS	$ 4,764	$ 5,385	$ 72,863	$ 29,659	$ 383,190	$ 6,809	$ 13,429	$ 16,542
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			$ 10,180		$ 1,573		$ 7,636	$ 198
Settlements pending								
Total Liabilities			10,180		1,573		7,636	198
Fund Balances:								
Restricted	$ 4,764	$ 5,385		$ 29,659		$ 6,809	5,793	16,344
Assigned			62,683		381,617			
Total Fund Balances	4,764	5,385	62,683	29,659	381,617	6,809	5,793	16,344
TOTAL LIABILITIES AND FUND BALANCES	$ 4,764	$ 5,385	$ 72,863	$ 29,659	$ 383,190	$ 6,809	$ 13,429	$ 16,542

Schedule 1

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

	SPECIAL REVENUE FUNDS							
	Circuit Court Juvenile Division	Juvenile Court Representation	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Opioid Settlement Grant	Circuit Court/Sheriff Automation	Hospital Sales Tax
ASSETS								
Cash and cash equivalents	$ 10,578	$ 23,640	$ 2,207	$ 6,132	$ 61,093	$ 14,927	$ 25,518	$ 1,671,532
Investments								
Accounts receivable	54	11	44	9			305	21,358
TOTAL ASSETS	$ 10,632	$ 23,651	$ 2,251	$ 6,141	$ 61,093	$ 14,927	$ 25,823	$ 1,692,890
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			$ 1,165		$ 20,000			$ 128,322
Settlements pending								
Total Liabilities			1,165		20,000			128,322
Fund Balances:								
Restricted	$ 10,632	$ 23,651	1,086	$ 6,141	41,093	$ 14,927	$ 25,823	1,564,568
Assigned								
Total Fund Balances	10,632	23,651	1,086	6,141	41,093	14,927	25,823	1,564,568
TOTAL LIABILITIES AND FUND BALANCES	$ 10,632	$ 23,651	$ 2,251	$ 6,141	$ 61,093	$ 14,927	$ 25,823	$ 1,692,890

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Project Lifesaver	Solid Waste Reserve	Court Security Grant	Energy Efficiency Bond	Law Library	Library Foundation	Communication Facility and Equipment	Special Drug Buy
ASSETS								
Cash and cash equivalents	$ 138	$ 1,496,997	$ 1,400	$ 19,932	$ 64,842	$ 234,893	$ 23,596	$ 124
Investments						958,218		
Accounts receivable							7,482	
TOTAL ASSETS	$ 138	$ 1,496,997	$ 1,400	$ 19,932	$ 64,842	$ 1,193,111	$ 31,078	$ 124
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			$ 1,400					
Settlements pending								
Total Liabilities			1,400					
Fund Balances:								
Restricted	$ 138	$ 1,496,997		$ 19,932	$ 64,842	$ 1,193,111	$ 31,078	$ 124
Assigned								
Total Fund Balances	138	1,496,997		19,932	64,842	1,193,111	31,078	124
TOTAL LIABILITIES AND FUND BALANCES	$ 138	$ 1,496,997	$ 1,400	$ 19,932	$ 64,842	$ 1,193,111	$ 31,078	$ 124

Schedule 1

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

	CUSTODIAL FUNDS						
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Juvenile Probation	Totals
ASSETS							
Cash and cash equivalents	$ 367,556	$ 292,009	$ 44,423	$ 37,839	$ 238,753	$ 477	$ 7,331,139
Investments							958,218
Accounts receivable							206,750
TOTAL ASSETS	$ 367,556	$ 292,009	$ 44,423	$ 37,839	$ 238,753	$ 477	$ 8,496,107
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							$ 198,166
Settlements pending	$ 367,556	$ 292,009	$ 44,423	$ 37,839	$ 238,753	$ 477	981,057
Total Liabilities	367,556	292,009	44,423	37,839	238,753	477	1,179,223
Fund Balances:							
Restricted							6,872,584
Assigned							444,300
Total Fund Balances							7,316,884
TOTAL LIABILITIES AND FUND BALANCES	$ 367,556	$ 292,009	$ 44,423	$ 37,839	$ 238,753	$ 477	$ 8,496,107

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Solid Waste Sales Tax	Support Collections Costs
REVENUES									
State aid				$ 11,500			$ 58,223		
Property taxes							469,465		
Sales taxes								$ 3,070,281	
Fines, forfeitures, and costs			$ 5,568						
Interest	$ 11,633	$ 16,288	1,755	2,829	$ 1,517	$ 5,926	28,340	23,049	$ 372
Officers' fees					9,597	173,386			1,027
Jail fees									
911 fees									
Jail commissary and phone commissions									
Library fees							10,897		
Salary reimbursements									
Realized gains on investments									
Net increase/decrease in value of investments									
Donations							39,622		
Refunds									
Treasurer's commission	39,925								
Collector's commission		104,598							
Other						1,848			125
TOTAL REVENUES	51,558	120,886	7,323	14,329	11,114	181,160	606,547	3,093,330	1,524
Less: Treasurer's commission			27	162	129	2,013	6,153	33,614	16
NET REVENUES	51,558	120,886	7,296	14,167	10,985	179,147	600,394	3,059,716	1,508
EXPENDITURES									
Current:									
General government	26,821	91,908		2,918		355,948			2,312
Law enforcement			4,238						
Public safety									
Sanitation								35,454	
Recreation and culture							602,360		
TOTAL EXPENDITURES	26,821	91,908	4,238	2,918		355,948	602,360	35,454	2,312
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	24,737	28,978	3,058	11,249	10,985	(176,801)	(1,966)	3,024,262	(804)
OTHER FINANCING SOURCES (USES)									
Transfers in						180,791			
Transfers out								(1,471,963)	
Sales tax remitted to hospital									
Sales tax remitted to solid waste authority								(2,344,182)	
Sales tax remitted to cities								(13,244)	
TOTAL OTHER FINANCING SOURCES (USES)						180,791		(3,829,389)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	24,737	28,978	3,058	11,249	10,985	3,990	(1,966)	(805,127)	(804)
FUND BALANCES - JANUARY 1	243,081	363,101	33,544	43,557	25,262	60,660	699,310	1,558,833	7,239
FUND BALANCES - DECEMBER 31	$ 267,818	$ 392,079	$ 36,602	$ 54,806	$ 36,247	$ 64,650	$ 697,344	$ 753,706	$ 6,435

HOT SPRING COUNTY, ARKANSAS

Schedule 2

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2024

(UNAUDITED)

	SPECIAL REVENUE FUNDS								
	Drug Control	Intoximeter	County Detention Facility	County Emergency Rescue	Emergency 911	Emergency Vehicle	Public Defender	Victim/Witness	Adult Drug Court
REVENUES									
State aid				$ 3,827			$ 1,497		
Property taxes									
Sales taxes									
Fines, forfeitures, and costs		$ 403				$ 9,808	19,700	$ 24,608	$ 3,120
Interest		257	$ 5,316	1,457	$ 20,183	198	1,331		791
Officers' fees									
Jail fees			55,319						
911 fees					512,903				
Jail commissary and phone commissions									
Library fees									
Salary reimbursements					98,371				
Realized gains on investments									
Net increase/decrease in value of investments									
Donations									
Refunds									
Treasurer's commission									
Collector's commission									
Other			1,010				200		
TOTAL REVENUES		660	61,645	5,284	631,457	10,006	22,728	24,608	3,911
Less: Treasurer's commission		6	658	60	7,198	98	172		43
NET REVENUES		654	60,987	5,224	624,259	9,908	22,556	24,608	3,868
EXPENDITURES									
Current:									
General government									
Law enforcement			140,223			15,556	54,141	24,608	1,603
Public safety				3,378	751,008				
Sanitation									
Recreation and culture									
TOTAL EXPENDITURES			140,223	3,378	751,008	15,556	54,141	24,608	1,603
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		654	(79,236)	1,846	(126,749)	(5,648)	(31,585)		2,265
OTHER FINANCING SOURCES (USES)									
Transfers in			111,888		130,062		15,353		
Transfers out									
Sales tax remitted to hospital									
Sales tax remitted to solid waste authority									
Sales tax remitted to cities									
TOTAL OTHER FINANCING SOURCES (USES)			111,888		130,062		15,353		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		654	32,652	1,846	3,313	(5,648)	(16,232)		2,265
FUND BALANCES - JANUARY 1	$ 4,764	4,731	30,031	27,813	378,304	12,457	22,025		14,079
FUND BALANCES - DECEMBER 31	$ 4,764	$ 5,385	$ 62,683	$ 29,659	$ 381,617	$ 6,809	$ 5,793	$ 0	$ 16,344

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Circuit Court Juvenile Division	Juvenile Court Representation	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	American Rescue Plan Act	Opioid Settlement Grant	Circuit Court/Sheriff Automation	Hospital Sales Tax	Project Lifesaver
REVENUES									
State aid						$ 16,560			
Property taxes				$ 721					
Sales taxes								$ 2,384,361	
Fines, forfeitures, and costs	$ 335	$ 155					$ 9,335		
Interest	433	1,172	$ 90	281	$ 14,028		630	73,728	
Officers' fees	3,766		396						
Jail fees									
911 fees									
Jail commissary and phone commissions									
Library fees									
Salary reimbursements									
Realized gains on investments									
Net increase/decrease in value of investments									
Donations									
Refunds			1,300						
Treasurer's commission									
Collector's commission									
Other			3						
TOTAL REVENUES	4,534	1,327	1,789	1,002	14,028	16,560	9,965	2,458,089	
Less: Treasurer's commission	51	15	5	11				27,804	
NET REVENUES	4,483	1,312	1,784	991	14,028	16,560	9,965	2,430,285	
EXPENDITURES									
Current:									
General government			1,200		324,916				
Law enforcement						1,633	13,961		
Public safety									
Sanitation									
Recreation and culture									
TOTAL EXPENDITURES			1,200		324,916	1,633	13,961		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,483	1,312	584	991	(310,888)	14,927	(3,996)	2,430,285	
OTHER FINANCING SOURCES (USES)									
Transfers in					32,324				
Transfers out									
Sales tax remitted to hospital								(1,847,182)	
Sales tax remitted to solid waste authority									
Sales tax remitted to cities									
TOTAL OTHER FINANCING SOURCES (USES)					32,324			(1,847,182)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	4,483	1,312	584	991	(278,564)	14,927	(3,996)	583,103	
FUND BALANCES - JANUARY 1	6,149	22,339	502	5,150	319,657		29,819	981,465	$ 138
FUND BALANCES - DECEMBER 31	$ 10,632	$ 23,651	$ 1,086	$ 6,141	$ 41,093	$ 14,927	$ 25,823	$ 1,564,568	$ 138

HOT SPRING 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								
	Solid Waste Reserve	Court Security Grant	Arkansas Historic Preservation Grant	Energy Efficiency Bond	Law Library	Library Foundation	Communication Facility and Equipment	Special Drug Buy	Totals
REVENUES									
State aid		$ 12,380	$ 398,576						$ 502,563
Property taxes									470,186
Sales taxes									5,454,642
Fines, forfeitures, and costs					$ 6,575				79,607
Interest	$ 70,555			$ 828	3,059	$ 16,445			302,491
Officers' fees							$ 4,541		192,713
Jail fees									55,319
911 fees									512,903
Jail commissary and phone commissions							46,270		46,270
Library fees									10,897
Salary reimbursements									98,371
Realized gains on investments						47,243			47,243
Net increase/decrease in value of investments						47,405			47,405
Donations									39,622
Refunds				16,339					17,639
Treasurer's commission									39,925
Collector's commission									104,598
Other						1,550	2,073		6,809
TOTAL REVENUES	70,555	12,380	398,576	17,167	9,634	112,643	52,884		8,029,203
Less: Treasurer's commission									78,235
NET REVENUES	70,555	12,380	398,576	17,167	9,634	112,643	52,884		7,950,968
EXPENDITURES									
Current:									
General government			398,576	17,676					1,222,275
Law enforcement		12,380			300		47,413		316,056
Public safety									754,386
Sanitation									35,454
Recreation and culture						1,664			604,024
TOTAL EXPENDITURES		12,380	398,576	17,676	300	1,664	47,413		2,932,195
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	70,555			(509)	9,334	110,979	5,471		5,018,773
OTHER FINANCING SOURCES (USES)									
Transfers in	147,435								617,853
Transfers out									(1,471,963)
Sales tax remitted to hospital									(1,847,182)
Sales tax remitted to solid waste authority	(192,134)								(2,536,316)
Sales tax remitted to cities									(13,244)
TOTAL OTHER FINANCING SOURCES (USES)	(44,699)								(5,250,852)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	25,856			(509)	9,334	110,979	5,471		(232,079)
FUND BALANCES - JANUARY 1	1,471,141			20,441	55,508	1,082,132	25,607	$ 124	7,548,963
FUND BALANCES - DECEMBER 31	$ 1,496,997	$ 0	$ 0	$ 19,932	$ 64,842	$ 1,193,111	$ 31,078	$ 124	$ 7,316,884

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

Fund Name	Fund Description
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Library	Fund consists of two accounts, Operating and Challenge. Ark. Code Ann. § 13-2-404 establishes the Operating account to receive property taxes, fees, fines, gifts, etc., to be appropriated for the support, operation, and maintenance of county public library system. All donations to the library are deposited in the Challenge Fund and are to be expended at the discretion of the Library Board.
Solid Waste Sales Tax	Established by Hot Spring County Ordinance no. 90-18 (October 9, 1990) to account for a one cent sales tax passed in January 1991. Civil Court Order no. 2003-279-2 determined that the designated purpose for the revenues are as follows: (a) 95% are to be used to pay the existing indebtedness of the Solid Waste Authority (SWA) to FmHA and the Bank of Malvern (retired prior to 2010) and the annual operation and maintenance of SWA and upon the retirement of the debt to FmHA and the Bank of Malvern, these revenues may be appropriated by the Quorum Court: First, to fund the annual operation and maintenance of SWA; and Second, to fund other general needs of the County as authorized by law. (b) 5% shall be appropriated into a reserve fund to be used for the purchase, acquisition and/or construction of landfills and recycling facilities, all for the purpose of solid waste disposal and/or recycling. Act 677 of 2021 determined that the SWA annual operating budget would be approved by a board consisting of representatives of the County and member municipalities. Any surplus of the sales tax contributed by the member municipalities will be refunded.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.

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

Fund Name	Fund Description
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Intoximeter	Ark. Code Ann. § 16-10-307 established fund to receive revenues generated from court costs to be used to maintain and purchase breathalyzer.
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.
County Emergency Rescue	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Emergency 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.
Public Defender	Ark. Code Ann. § 17-19-301 authorized a bail bond fee of $20 to be collected, which shall be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Adult Drug Court	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. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile cases.

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

Fund Name	Fund Description
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	Established by Hot Spring County Ordinance no. 17-16 (July 11, 2017) to establish Assessor's Late Assessment Fee Fund to help pay for the expense of assessing property.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Opioid Settlement Grant	Established by Hot Spring County Ordinance no. 24-05 (April 9, 2024) to track law enforcement expenditures from grant revenue obtained to provide supportive and restorative services for the participants of the adult drug court program.
Circuit Court/Sheriff 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.
Hospital Sales Tax	Established by Hot Spring County Ordinance no. 08-31 (July 8, 2008) to account for a 1/2 cent sales tax passed September 9, 2008, for the operation, maintenance, improvement, renovation, expansion, and equipping of hospital and related health care facilities, including particularly, without limitation, the hospital facility known as Hot Spring County Medical Center.
Project Lifesaver	Established by Hot Spring County Ordinance no. 10-75 (October 20, 2010) to provide training of law enforcement personnel in the operation of electronic tracking equipment.
Solid Waste Reserve	Established by Hot Spring County Ordinance no. 90-18 (October 9, 1990) to account for a one cent sales tax passed in January 1991. Civil Court Order no. 2003-279-2 determined that the designated purpose for the revenues are as follows: (a) 95% are to be used to pay the existing indebtedness of the Solid Waste Authority (SWA) to FmHA and the Bank of Malvern (retired prior to 2010) and the annual operation and maintenance of SWA and upon the retirement of the debt to FmHA and the Bank of Malvern, these revenues may be appropriated by the Quorum Court: First, to fund the annual operation and maintenance of SWA; and Second, to fund other general needs of the County as authorized by law. (b) 5% shall be appropriated into a reserve fund to be used for the purchase, acquisition and/or construction of landfills and recycling facilities, all for the purpose of solid waste disposal and/or recycling. Act 677 of 2021 determined that the SWA annual operating budget would be approved by a board consisting of representatives of the County and member municipalities. Any surplus of the sales tax contributed by the member municipalities will be refunded.

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

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

Fund Name	Fund Description
Court Security Grant	Established by Hot Spring County Ordinance no. 12-40 (June 18, 2012) to track law enforcement expenditures from grant revenue obtained to improve court security.
Arkansas Historic Preservation Grant	Established by Hot Spring County Ordinance no. 17-23 (August 22, 2017) to account for State Funds received to offset costs associated with the preservation of County buildings deemed to be historic.
Energy Efficiency Bond	Established by Hot Spring County Ordinance no. 22-15 (November 15, 2022) to account for financed funds used for acquisition, installation, and construction of certain energy efficiency equipment and improvements.
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.
Library Foundation	The Library Foundation Fund is an investment fund made up of excess donations from a fund raiser to construct a new library in 2004. These funds are overseen by the Library Board.
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.
Special Drug Buy	Established by Hot Spring County Ordinance no. 98-20 (May 12, 1998) per Ark. Code Ann. § 14-21-201.

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

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

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

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

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

Juvenile Probation Office consist of fees not yet remitted to treasurer.

1. A. Basis of Presentation - Regulatory

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

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

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

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

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

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

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

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Special Revenue 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.

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.

1. (Continued)

B. Basis of Accounting – Regulatory (Continued)

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

For the purpose of financial reporting, “cash and cash equivalents” includes all demand, savings, and money market accounts, and certificates of deposit.

Investments

Investments are reported at fair market value.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes and excess commissions 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.

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.

1. (Continued)

E. Budget Law (Continued)

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.

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	$ 64,697		$ 890,287
Law enforcement			246,912
Highways and streets		$ 1,577,004	
Public safety			29,659
Sanitation			2,250,703
Health			1,564,568
Recreation and culture			1,890,455
Total Restricted	64,697	1,577,004	6,872,584
Committed for:			
Highways and streets		127,413	
Assigned to:			
General government	5,932,772		
Law enforcement			62,683
Public safety			381,617
Total Assigned	5,932,772		444,300
Unassigned	2,473,717		
Totals	$ 8,471,186	$ 1,704,417	$ 7,316,884

3. Commitments

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

	December 31, 2024
Long-term liabilities	$ 5,363,616
Lease	42,392
Reappraisal contract	349,680
Sales and use tax overpayment	2,150,000
Total Commitments	$ 7,905,688

Long-term Liabilities

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

	December 31, 2024
Direct Borrowings	
Financed purchase agreement dated November 3, 2022, in the amount of $4,774,700 for acquisition, installation, and construction of certain energy efficiency equipment, improvements, and renovations. Due in annual installments of $71,753 - $469,826 plus interest through October 28, 2042; interest at 4.44% due on October 28 of each year beginning on October 28, 2023. Payments are to be made from the General Fund - Jones Mill Industrial Park Fund.	$ 4,619,495
Financed purchase agreement dated October 25, 2023, in the amount of $410,000 with Cadence Bank for the purchase of two Mack Dump Trucks. Terms are 36 monthly payments of $6,975, and one final payment of $215,000 at 5.78% interest. Payments are to be made from the Road Fund.	337,767
Financed purchase agreement dated October 11, 2024, in the amount of $363,961 with Malvern National Bank for the purchase of two Caterpillar 140LVR Motor Graders. Terms are 3 annual payments of $134,272 at 5.25% interest. Payments are to be made from the Road Fund.	363,961
Total Direct Borrowings	5,321,223
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	42,393
Total Long-term liabilities	$ 5,363,616

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

The County's outstanding direct borrowings of $5,321,223 contain a provision that in the 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 law.

3. Commitments (Continued)

Change in Compensated Absences

	December 31, 2024
Beginning balance compensated absences	$ 52,547
Ending balance compensated absences	42,393
Net Increase (Decrease)	$ (10,154)

Post Employment Benefits Other Than Pensions

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

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2024	Maturities to December 31, 2024
Direct Borrowings					
11/3/22	10/28/42	4.44%	$ 4,774,700	$ 4,619,495	$ 155,205
10/25/23	11/23/26	5.78%	410,000	337,767	72,233
10/11/24	10/11/27	5.25%	363,961	363,961	
Total Long-Term Debt			$ 5,548,661	$ 5,321,223	$ 227,438

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
Direct Borrowings				
Financed purchases	$ 5,102,923	$ 363,961	$ 145,661	$ 5,321,223

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrowings Principal	Interest	Total
2025	$ 276,990	$ 242,009	$ 518,999
2026	502,290	226,790	729,080
2027	250,953	202,683	453,636
2028	138,424	190,520	328,944
2029	154,438	184,374	338,812
2030 through 2034	1,049,587	803,177	1,852,764
2035 through 2039	1,625,890	521,971	2,147,861
2040 through 2042	1,322,651	120,096	1,442,747
Totals	$ 5,321,223	$ 2,491,620	$ 7,812,843

3. Commitments (Continued)

Lease

The County entered into a lease agreement for a phone system on December 16, 2021. Terms of the lease are monthly rental payments of $3,533 for 48 months. At the end of the lease term, the County may purchase the phone system equipment for fair market value. The County is obligated the following amount for the next year:

Year	December 31, 2024
2025	$ 42,392

Lease expense for 2024 was $42,392.

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on November 30, 2021, for a county-wide reappraisal. The County is obligated for 60 monthly payments of $14,570 for a total of $874,200 beginning on January 15, 2022. Contract expense for 2024 was $174,840.

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

Year	December 31, 2024
2025	$ 174,840
2026	174,840
Total	$ 349,680

Sales and Use Tax Overpayment

In September 2024, Hot Spring County received notification from the Arkansas Department and Finance and Administration of a sales and use tax revenue reduction. This reduction was due to audits, local rebates, and/or amended returns. Based on information provided by the Arkansas Department of Finance and Administration, this reduction of $2,300,000 will be amortized over 46 months. Each disbursement from October 2024 through July 2028 will be reduced by $50,000 per month.

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

Year	December 31, 2024
2025	$ 600,000
2026	600,000
2027	600,000
2028	350,000
Total	$ 2,150,000

4. Interfund Transfers

The General Fund transferred $438,094 to Other Funds in the Aggregate to supplement the County Recorder Cost, County Detention Facility, Emergency 911, and Public Defender Funds. The General Fund also transferred $32,324 to the American Rescue Plan Act Fund to reimburse for prior year expenditures. The Other Funds in the Aggregate (Solid Waste Sales Tax) transferred $1,324,528 to the General Fund for unrestricted excess sales tax. Within Other Funds in the Aggregate (Solid Waste Sales Tax) $147,435 was transferred to the Solid Waste Reserve Fund to satisfy reserve requirements of the solid waste sales and use tax as approved by voters.

5. Joint Venture: Mid-Arkansas Regional Library

Dallas, Grant, and Hot Spring Counties entered into an agreement in January 1982 in accordance with Ark. Code Ann. § 13-2-401 to establish the Mid-Arkansas Regional Library (Regional Library). The agreement was amended in September 1989 to include Cleveland County and in July 2019 to include Saline County. The agreement states that business of the Regional Library shall be handled by the Regional Board composed of the chairman, one other member of each county board and four co-regional librarians and shall be administered by a regional director. Funds for the Regional Library consist of state aid grants, federal funds and other available funds for the purchase of books, maintenance of bookmobiles and the employment of drivers and clerks. Each county continues to supervise control over its income from the county's one mill tax and has control of its particular library. The County Library made no payments to or on behalf of the Regional Library in 2024. The financial statements of the Regional Library have not been audited. Financial information may be obtained at the Hot Spring County Library, 202 East Third Street, Malvern, Arkansas 72104.

6. Jointly Governed Organization: Southwest Central Regional Solid Waste Management District

Pursuant to Act 752 of the Acts of Arkansas of 1991, the Southwest Central Regional Solid Waste Management District (District) and Board were organized to protect the public health and environmental quality for its service area by establishing a regional solid waste management system in Arkansas Counties of Clark, Garland, and Hot Spring. The District's board of directors is composed in accordance with the requirements of the Act and is comprised of representatives of the counties in the District and representatives of all first-class cities, of all cities with a population over 2,000, and of the largest city of each county in the District. The County made no contributions to or disbursements on behalf of District in 2024. Separate financial statements of the District are available at 1000 Central Avenue, Hot Springs, Arkansas, 71903.

7. Lease and Hospital Facilities

Hot Spring County Memorial Hospital was operated as a county hospital through November 30, 1994. In November 1994, members of the Board of Directors of Hot Spring County Memorial Hospital formed a 501 (c) (3) not-for-profit corporation (Hot Spring County Medical Services, Inc.) for the purpose of leasing the hospital from the County and operating it as a private nonprofit concern. On November 3, 1994, Hot Spring County Medical Services, Inc. signed a lease agreement with the County to lease the facilities for: (a) a fee of $25 annually and (b) payment of principal and interest necessary to meet the obligation of the hospital's existing bonded indebtedness. The lease agreement was approved by Hot Spring County Ordinance no. 94-31 (November 8, 1994) and modified with Hot Spring County Ordinance no. 08-42 (October 14, 2008). In 2013, the voters approved a one-half cent county-wide sales tax for 20 years to be used for the operation, maintenance, improvement, renovation, expansion, and equipping of hospital and related health care facilities, including particularly, without limitation, the hospital facility known as Hot Spring County Medical Center. The tax will expire December 31, 2033. The proceeds of the sales tax are accounted for in the Hospital Sales Tax Fund, a part of the other funds in the aggregate. In 2024, $1,847,182 of this sales tax was remitted to the Hot Spring County Medical Center. The Quorum Court approved Hot Spring County Ordinance no. 13-53 (November 12, 2013) consenting to a sublease agreement between Hot Spring County Medical Center and Baptist Health.

8. Hot Spring County Solid Waste Authority

The Hot Spring County Solid Waste Authority, a separate government entity, was established by the Quorum Court in 1985. In 1994, the voters approved a one percent county-wide sales tax to be used (95%) to retire the then current indebtedness of the Solid Waste Authority (SWA), the annual operations and maintenance of the SWA, other general needs of the County, and five percent to establish a reserve fund for the purchase, acquisition, and/or construction of landfills and recycling facilities, all for the purpose of solid waste disposal and/or recycling. All of the municipalities of the County, except the City of Malvern, remit their portion of the sales tax to the County in exchange for sanitation services established by SWA. The proceeds of the sales tax are accounted for in the Solid Waste Sales Tax and Solid Waste Reserve Funds, a part of the other funds in the aggregate. In 2024, $2,536,316 of this sales tax was remitted to the SWA.

9. Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.75% as of July 1, 2024. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2024, (date of APERS Employer Allocation Report) were $672,467.

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 $4,807,647.

10. Capital Assets

The County's capital assets records are summarized below :

	December 31, 2024
Land	$ 396,780
Buildings	10,681,097
Equipment	10,437,028
Total	$ 21,514,905

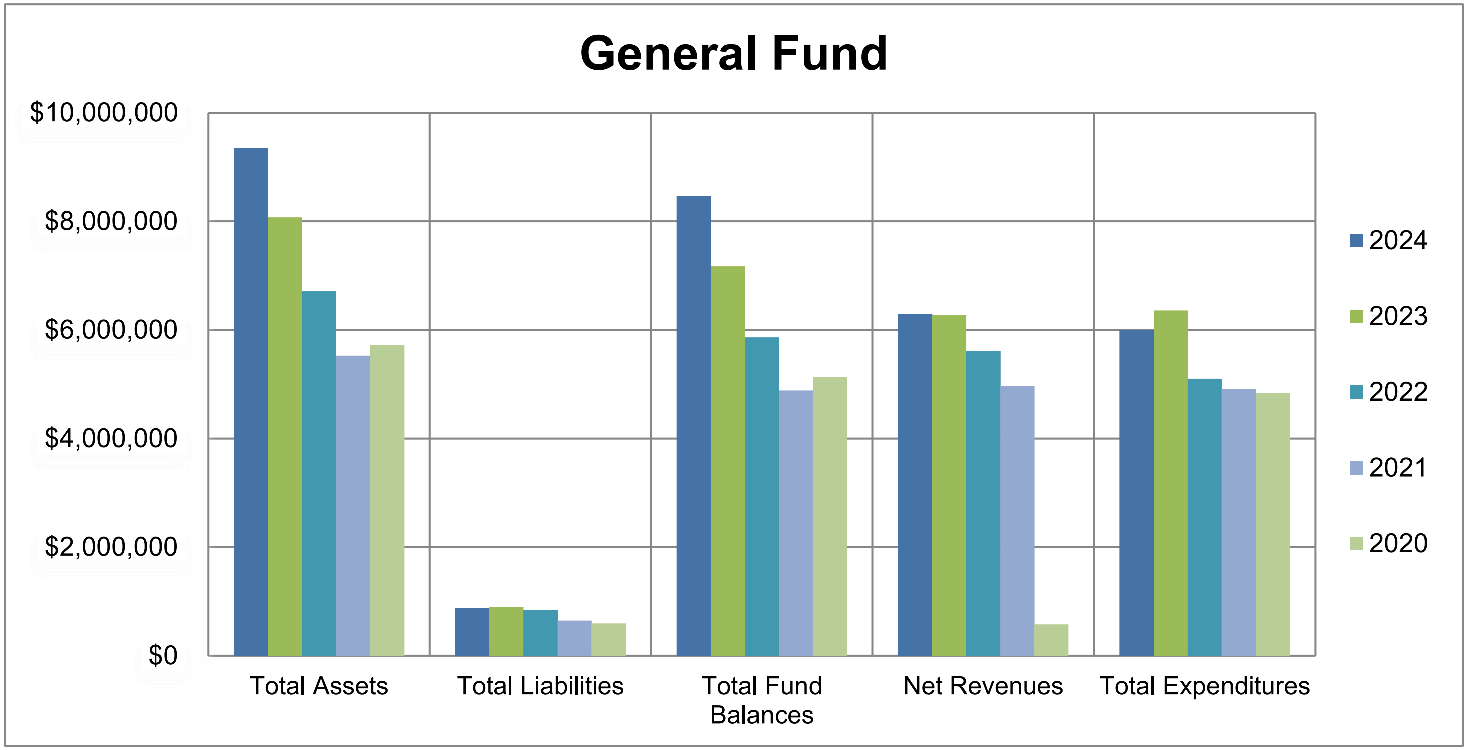
11. Employee Self-Insured Benefit Fund

The County participates in an Employee Self-Insured Benefit Plan. The county is required to maintain a benefit plan account which will be sufficient at all times to fund plan benefits and plan-related expenses. At December 31, 2024, the balance in this account was $64,697 and is reflected in the financial statements as the General Fund's restricted fund balance.

Schedule 3-1

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

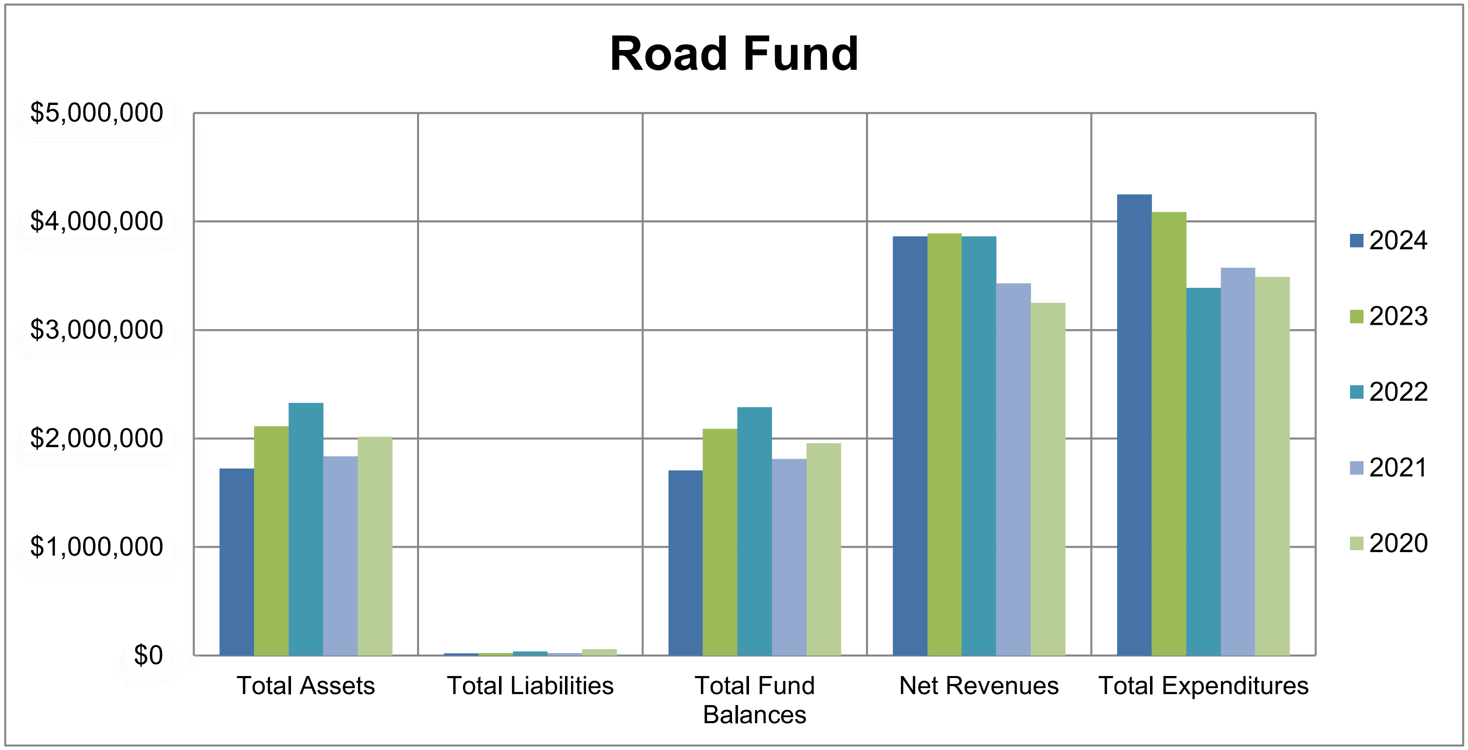
General	2024	2023	2022	2021	2020
Total Assets	$ 9,355,208	$ 8,072,235	$ 6,708,976	$ 5,528,556	$ 5,727,392
Total Liabilities	884,022	901,956	846,583	646,589	592,650
Total Fund Balances	8,471,186	7,170,279	5,862,393	4,881,967	5,134,742
Net Revenues	6,298,998	6,268,635	5,609,796	4,964,989	576,637
Total Expenditures	5,995,081	6,357,375	5,100,193	4,907,309	4,844,517
Total Other Financing Sources/Uses	854,110	1,396,626	470,823	(310,455)	(273,787)



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

Schedule 3-2

Road	2024	2023	2022	2021	2020
Total Assets	$ 1,724,006	$ 2,111,853	$ 2,325,788	$ 1,835,269	$ 2,013,520
Total Liabilities	19,589	21,995	38,012	22,775	57,154
Total Fund Balances	1,704,417	2,089,858	2,287,776	1,812,494	1,956,366
Net Revenues	3,862,564	3,889,277	3,864,160	3,430,300	3,249,912
Total Expenditures	4,248,005	4,087,195	3,388,878	3,574,172	3,489,746
Total Other Financing Sources/Uses					



Schedule 3-3

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

Other Funds in the Aggregate	2024	2023	2022	2021	2020
Total Assets	$ 8,496,107	$ 11,133,409	$ 17,026,694	$ 11,517,665	$ 6,893,088
Total Liabilities	1,179,223	3,584,446	1,281,585	1,331,865	1,194,224
Total Fund Balances	7,316,884	7,548,963	15,745,109	10,185,800	5,698,864
Net Revenues	7,950,968	8,096,321	10,596,871	13,156,143	6,810,369
Total Expenditures	2,932,195	8,919,480	6,604,096	4,690,923	2,368,731
Total Other Financing Sources/Uses	(5,250,852)	(7,372,987)	1,566,534	(3,978,284)	(3,288,923)