

Sebastian County, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



SEBASTIAN COUNTY, ARKANSAS
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2024

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Arkansas

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



Rep. Robin Lundstrum
House Chair
Rep. RJ Hawk
House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the regulatory basis financial statements of Sebastian County, Arkansas (County), which are comprised of the Balance Sheet – Regulatory Basis for the general fund, road fund, and other funds in the aggregate as of December 31, 2024; the related Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis; the Statement of Revenues, Expenditures, and Change in Fund Balances – Budget and Actual – General and Road Funds – Regulatory Basis for the year then ended; and the related notes to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Sebastian County, Arkansas, as of December 31, 2024; the regulatory basis revenues, expenditures, and changes in fund balance; and the budgetary comparisons for the general fund and road fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying regulatory basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the general fund, road fund, and other funds in the aggregate of Sebastian County, Arkansas, as of December 31, 2024, or the revenues, expenditures, and changes in fund balance and, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements permitted by the State of Arkansas.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements as a whole. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information listed in the table of contents is fairly stated in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

Other Information

Management is responsible for the other information included in the report. The other information is comprised of the schedules listed in the table of contents but does not include the regulatory basis financial statements, supplemental information, and our auditor's reports thereon. Our opinions on the regulatory basis financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the regulatory basis financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT

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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
November 7, 2025
LOCO06524



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



Rep. Robin Lundstrum
House Chair
Rep. RJ Hawk
House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE

ARKANSAS LEGISLATIVE AUDIT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Sebastian County, Arkansas (County), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the County's regulatory basis financial statements, and have issued our report thereon dated November 7, 2025. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

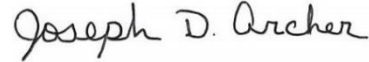
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

We also reported to management of the County in a separate letter dated November 7, 2025.

Purpose of This Report

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

ARKANSAS LEGISLATIVE AUDIT

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

Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
November 7, 2025

Arkansas



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

Rep. Robin Lundstrum
House Chair
Rep. RJ Hawk
House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

The finding contained in this letter relates to the following officials who held office during 2024:

County Judge: Steve Hotz
Treasurer/Tax Collector: Lora Rice
Sheriff: Hobe Runion
County Clerk: Sharon Brooks
Circuit Clerk: Susie Hassett
Assessor: Zach Johnson
County Librarian: Rene Myers
District Court Clerk: Lisa Sampley

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

County Judge

The minutes of the governing body did not document a review of the findings contained in the prior year report and the action taken, as required by Ark. Code Ann. § 10-4-418.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink that reads "Joseph D. Archer".

Joseph D. Archer, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
November 7, 2025

SEBASTIAN COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2024

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 17,415,033	\$ 10,499,525	\$ 37,975,325
Accounts receivable	1,487,903	223,354	631,768
TOTAL ASSETS	<u>\$ 18,902,936</u>	<u>\$ 10,722,879</u>	<u>\$ 38,607,093</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,007,114	\$ 76,487	\$ 193,863
Settlements pending			10,139,106
Total Liabilities	<u>1,007,114</u>	<u>76,487</u>	<u>10,332,969</u>
Fund Balances:			
Restricted	1,963,012	10,646,392	16,873,758
Committed			10,840,133
Assigned	383,001		560,233
Unassigned	15,549,809		
Total Fund Balances	<u>17,895,822</u>	<u>10,646,392</u>	<u>28,274,124</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 18,902,936</u>	<u>\$ 10,722,879</u>	<u>\$ 38,607,093</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 3,145,714	\$ 4,037,790	\$ 589,244
Federal aid	880,872	28,842	281
Property taxes	11,811,238	3,595,437	307,501
Sales taxes	4,477,305	27,609	548,690
Fines, forfeitures, and costs	1,617,325		322,009
Interest	508,693	450,697	1,158,593
Officers' fees	892,133		950,696
911 fees			2,333,823
Ambulance fees	401,125		1,801,096
Jail fees	3,562,107		306,030
Royalties/franchise fees	76,395		
Insurance premiums	767,439		
Treasurer's commission	522,440		11,516
Collector's commission	981,699		27,175
Taxes apportioned - Assessor's salary and expense	2,419,518	38,940	1,613
Other	2,828,226	342,095	574,730
TOTAL REVENUES	34,892,229	8,521,410	8,932,997
Less: Treasurer's commission	537,162	163,709	129,253
NET REVENUES	34,355,067	8,357,701	8,803,744
EXPENDITURES			
Current:			
General government	9,571,846		3,835,257
Law enforcement	19,854,011		1,786,975
Highways and streets		8,899,378	
Public safety	580,270		2,136,655
Health	170,171		1,801,388
Recreation and culture	1,916,314		1,006,355
Social services	1,882,357		
Total Current	33,974,969	8,899,378	10,566,630
Debt Service:			
Financed purchases principal			379,710
Financed purchases interest			154,471
TOTAL EXPENDITURES	33,974,969	8,899,378	11,100,811

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

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 380,098	\$ (541,677)	\$ (2,297,067)
OTHER FINANCING SOURCES (USES)			
Transfers in			583,598
Transfers out	(560,393)	(20,805)	(2,400)
Association of Arkansas Counties Risk Management Services proceeds			350,000
Lawsuit settlement			(3,000,000)
TOTAL OTHER FINANCING SOURCES (USES)	(560,393)	(20,805)	(2,068,802)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(180,295)	(562,482)	(4,365,869)
FUND BALANCES - JANUARY 1	18,076,117	11,208,874	32,639,993
FUND BALANCES - DECEMBER 31	\$ 17,895,822	\$ 10,646,392	\$ 28,274,124

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

SEBASTIAN 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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 2,978,198	\$ 3,145,714	\$ 167,516	\$ 3,845,000	\$ 4,037,790	\$ 192,790
Federal aid	1,918,756	880,872	(1,037,884)	40,250	28,842	(11,408)
Property taxes	10,157,806	11,811,238	1,653,432	3,205,000	3,595,437	390,437
Sales taxes	4,188,159	4,477,305	289,146		27,609	27,609
Fines, forfeitures, and costs	1,487,300	1,617,325	130,025			
Interest	100,000	508,693	408,693		450,697	450,697
Officers' fees	849,160	892,133	42,973			
Ambulance fees	985,000	401,125	(583,875)			
Jail fees	2,034,236	3,562,107	1,527,871			
Royalties/franchise fees	85,800	76,395	(9,405)			
Insurance premiums		767,439	767,439			
Treasurer's commission	567,864	522,440	(45,424)			
Collector's commission	1,080,356	981,699	(98,657)			
Taxes apportioned - Assessor's salary and expense	2,828,420	2,419,518	(408,902)		38,940	38,940
Other	3,185,303	2,828,226	(357,077)	191,646	342,095	150,449
TOTAL REVENUES	32,446,358	34,892,229	2,445,871	7,281,896	8,521,410	1,239,514
Less: Treasurer's commission	478,080	537,162	(59,082)	135,500	163,709	(28,209)
NET REVENUES	31,968,278	34,355,067	2,386,789	7,146,396	8,357,701	1,211,305
EXPENDITURES						
Current:						
General government	10,362,808	9,571,846	790,962			
Law enforcement	24,465,240	19,854,011	4,611,229			
Highways and streets				10,215,563	8,899,378	1,316,185
Public safety	1,218,749	580,270	638,479			
Health	2,491,930	170,171	2,321,759			
Recreation and culture	4,321,730	1,916,314	2,405,416			
Social services	2,283,575	1,882,357	401,218			
TOTAL EXPENDITURES	45,144,032	33,974,969	11,169,063	10,215,563	8,899,378	1,316,185

SEBASTIAN 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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (13,175,754)</u>	<u>\$ 380,098</u>	<u>\$ 13,555,852</u>	<u>\$ (3,069,167)</u>	<u>\$ (541,677)</u>	<u>\$ 2,527,490</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	4,559,376		(4,559,376)			
Transfers out	<u>(932,166)</u>	<u>(560,393)</u>	<u>371,773</u>	<u>(408,584)</u>	<u>(20,805)</u>	<u>387,779</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,627,210</u>	<u>(560,393)</u>	<u>(4,187,603)</u>	<u>(408,584)</u>	<u>(20,805)</u>	<u>387,779</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(9,548,544)	(180,295)	9,368,249	(3,477,751)	(562,482)	2,915,269
FUND BALANCES - JANUARY 1	<u>19,579,943</u>	<u>18,076,117</u>	<u>(1,503,826)</u>	<u>10,925,312</u>	<u>11,208,874</u>	<u>283,562</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 10,031,399</u></u>	<u><u>\$ 17,895,822</u></u>	<u><u>\$ 7,864,423</u></u>	<u><u>\$ 7,447,561</u></u>	<u><u>\$ 10,646,392</u></u>	<u><u>\$ 3,198,831</u></u>

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

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County.

B. Basis of Presentation - Regulatory

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

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

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

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

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

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

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

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

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. See Schedules 1 and 2 for Capital Projects Funds as reported with other funds in the aggregate.

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

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

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting - Regulatory

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

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

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, payroll 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.

E. Property Taxes

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

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

The County does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The County does not have a policy addressing which resources to use within the unrestricted fund balance when committed, assigned, or unassigned fund balances are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

NOTE 2: Cash Deposits with Financial Institutions

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 2,181,615	\$ 2,325,156
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the County's name	<u>63,689,353</u>	<u>63,804,026</u>
Total Deposits	<u>\$ 65,870,968</u>	<u>\$ 66,129,182</u>

The above total deposits do not include cash on hand of \$18,915.

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

State law generally requires that county funds be deposited in federally insured banks located in the State of Arkansas. The county deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of not longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 4: Accounts Receivable

The accounts receivable balance at December 31, 2024, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 185,691		\$ 14,594
Property taxes	394,191	\$ 100,451	3,030
Fines, forfeitures, and costs	117,746		28,015
Officers' fees	64,539		77,735
911 fees			425,604
Ambulance fees			29,543
Jail fees	71,386		
Royalties/franchise fees	19,164		
Taxes apportioned - Assessor's salary and expense	58,719	19,467	1,613
Other	576,467	103,436	51,634
Totals	<u>\$ 1,487,903</u>	<u>\$ 223,354</u>	<u>\$ 631,768</u>

NOTE 5: Accounts Payable

The accounts payable balance at December 31, 2024, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 1,007,114</u>	<u>\$ 76,487</u>	<u>\$ 193,863</u>

NOTE 6: Lawsuit Settlement

On September 13, 2024, the County paid a \$3,000,000 settlement for the death of a county inmate, of which \$350,000 was reimbursed to the County by the Association of Arkansas Counties Risk Management Services on October 11, 2024.

NOTE 7: Federal Funds Program Compliance

The grant of the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) (21.027) was audited in accordance with federal program requirements. A separate report was issued for the grant of the CSLFRF. The following material instance of noncompliance was reported:

The County again did not receive sufficient detailed documentation for the AWIN Radio Towers CSLFRF Project to support determination of costs and applicable federal compliance requirements. The separate report included a qualified opinion since the issue from their prior year report was unresolved.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 8: 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	\$ 636,040		\$ 9,093,617
Law enforcement	15,966		821,803
Highways and streets		\$ 10,646,392	
Public safety	87,730		4,990,439
Health	1,223,276		61,149
Recreation and culture			1,761,007
Debt service			145,743
Total Restricted	<u>1,963,012</u>	<u>10,646,392</u>	<u>16,873,758</u>
Committed for:			
Law enforcement			15,857
Sanitation			795
Capital outlay			10,823,481
Total Committed			<u>10,840,133</u>
Assigned to:			
General government	164,700		
Law enforcement	161,541		
Recreation and culture	56,760		
Capital outlay			560,233
Total Assigned	<u>383,001</u>		<u>560,233</u>
Unassigned	<u>15,549,809</u>		
Totals	<u>\$ 17,895,822</u>	<u>\$ 10,646,392</u>	<u>\$ 28,274,124</u>

NOTE 9: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2024, the legal debt limit for bonded debt was \$236,142,256. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2024, the legal debt limit for short-term financing obligations was \$63,496,589. There were no short-term financing obligations.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 10: Commitments

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

	December 31, 2024
Long-term liabilities	\$ 6,626,147
Reappraisal contract	486,300
Construction contracts	3,856,747
Total Commitments	\$ 10,969,194

Long-term Liabilities

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

	December 31, 2024
<u>Direct Borrowings</u>	
A 2.85% financed purchase agreement with US Bank dated December 28, 2017, in the amount of \$5,084,806 for the purchase of energy conservation measures. Due in monthly installments over 17 years, consisting of five monthly payments of \$29,800, a year of monthly payment installments of \$30,241, and thereafter, a 2.1% increase in monthly payments each year. Payments will be made from a Debt Service Fund, which will come from transfers from General Fund, Street Fund, and Library Fund.	\$ 3,533,672
A 2.79% financed purchase agreement with Capital One Public Funding dated July 28, 2020, in the amount of \$1,995,760 for the purchase of energy conservation measures. Due in yearly installments of \$131,555 over 20 years. Payments will be made from a Debt Service Fund, which will come from transfers from General Fund, Street Fund, and Library Fund.	1,679,326
Total Direct Borrowings	5,212,998
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	1,413,149
Total Long-term liabilities	\$ 6,626,147

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 \$5,212,998 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Change in Compensated Absences

	December 31, 2024
Beginning balance compensated absences	\$ 1,002,916
Ending balance compensated absences	1,413,149
Net Increase (decrease)	\$ 410,233

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 10: Commitments (Continued)

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
<u>Direct Borrow ings</u>					
12/28/17	12/28/33	2.85%	\$ 5,084,806	\$ 3,533,672	\$ 1,551,134
7/28/20	7/28/40	2.79%	1,995,760	1,679,326	316,434
Total Long-Term Debt			<u>\$ 7,080,566</u>	<u>\$ 5,212,998</u>	<u>\$ 1,867,568</u>

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
<u>Direct Borrow ings</u>				
Financed purchases	<u>\$ 5,592,708</u>	<u>\$ 0</u>	<u>\$ 379,710</u>	<u>\$ 5,212,998</u>

Debt Service Requirements to Maturity

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

Years Ending December 31,	Direct Borrow ings		
	Principal	Interest	Total
2025	\$ 399,161	\$ 143,476	\$ 542,637
2026	419,350	131,919	551,269
2027	440,304	119,779	560,083
2028	462,049	107,034	569,083
2029	484,610	93,661	578,271
2030 through 2034	2,289,876	250,564	2,540,440
2035 through 2039	589,663	68,114	657,777
2040	127,985	3,572	131,557
Totals	<u>\$ 5,212,998</u>	<u>\$ 918,119</u>	<u>\$ 6,131,117</u>

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 10: Commitments (Continued)

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on October 28, 2020, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$40,525 for a total of \$2,431,500 beginning January 15, 2021. Contract expense for 2024, was \$486,300.

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

Year	December 31, 2024
2025	\$ 486,300

Construction Contracts

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

Project Name	Estimated Completion or Completion Date	Contract Balance December 31, 2024
Health Department Remodel	March 11, 2025	\$ 56,892
Ben Geren Regional Park Softball Fields	April 30, 2025	99,409
Sebastian County Library HVAC	May 10, 2025	132,944
Bern Geren Regional Park Pickle Ball Courts	May 28, 2025	205,213
Ben Geren Regional Park Drainage Improvements	July 18, 2025	1,584,739
Sebastian County Courts Building HVAC	October 2025	990,050
Radio Tower Project	March 2026	787,500
Total Construction Contracts		<u>\$ 3,856,747</u>

NOTE 11: Interfund Transfers

The General Fund transferred \$560,393 to Other Funds in the Aggregate for operating expenses of \$49,413 (County Public Library), and debt service of \$510,980 (Energy Conservation Note). The Road Fund transferred \$20,805 to Other Funds in the Aggregate (Energy Conservation Note) for debt service. Within Other Funds in the Aggregate, \$2,400 was transferred (from County Public Library to Energy Conservation Note) for debt service.

NOTE 12: Subsequent Event

On April 10, 2025, the County entered into a \$4,109,765 construction contract for the new Sebastian County Library project.

NOTE 13: Joint Ventures

A. Regional Library

Sebastian and Scott Counties entered into an agreement on June 16, 1978, in accordance with Ark. Code Ann. § 13-2-401 to establish the Scott/Sebastian Regional Library. The agreement states that the Regional Library Board shall employ a regional librarian approved by the Arkansas Library Commission to serve for such time and such terms as the Board may prescribe and to be paid from the regional budget. County and branch personnel shall be recommended by the County Library Board and shall be employed only after approval of the regional librarian and the Arkansas Library Commission with such salaries to be paid from county funds.

The parties also agreed that each county in the region should contribute a fair share of the expenses. The fair share of the expenses shall be determined each year by the Regional Library Board. The County contributed \$500 to the Scott/Sebastian Regional Library. Separate financial statements of the Scott/Sebastian Regional Library are not available.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 13: Joint Ventures (Continued)

B. Western Arkansas Intermodal Authority

Sebastian and Crawford Counties, and the Cities of Fort Smith and Van Buren entered into an agreement on July 21, 2009, in accordance with Ark. Code Ann. §14-143-103 to establish the Western Arkansas Intermodal Authority (Authority). Funding is provided by taxes levied upon and collected from shippers, transporters, or users loading or unloading freight, and commerce or passengers at a terminal or facility of the Authority. The County contributed \$13,610 to the Authority. Separate financial statements for the Western Arkansas Intermodal Authority are available at: 1109 S 16th Street, Fort Smith, AR 72901.

NOTE 14: Jointly Governed Organization – Twelfth Judicial District Drug Task Force

The Prosecuting Attorneys of the Twelfth Judicial District and the Twenty-first Judicial District, the Sebastian and Crawford Counties' Sheriffs' Departments, and the Police Departments of Fort Smith, Alma, Greenwood, and Barling entered into an agreement to establish the Twelfth Judicial District Drug Task Force. Funding is provided by grants and the Prosecuting Attorneys' offices, local Sheriffs' Departments, and local Police Departments. The County did not contribute any funds or equipment to the Twelfth Judicial District Drug Task Force. Separate financial statements for the Twelfth Judicial District Drug Task Force are available at: 901 South B Street, Fort Smith, AR 72901.

NOTE 15: Interlocal Agreements

A. District Court Judge

Sebastian County and the Cities of Greenwood, Barling, and Central City entered into an agreement to provide for a District Judge's annual salary to be paid 50% by the state and the remaining 50% to be paid by Sebastian County, Greenwood, Barling, and Central City. The Judge will be an employee of the State of Arkansas and will hold court in each of these cities. The Judge will be elected for a four-year term. The County's share of these expenses for 2024 was \$35,981.

B. Emergency Management and Public Facility

The County entered into an interlocal agreement with the City of Fort Smith to cooperate in the operation of the Sebastian County Emergency Management and Public Safety Facility. The facility shall be maintained by the County Judge. The primary building square footage will be utilized 50% by the County and 50% by the City of Fort Smith. The County will initially pay all expenses incurred for maintenance and utilities of the primary building, excluding agreed upon items. The City will be responsible for 50% of the County paid expenses for maintenance and utilities, excluding agreed upon items. This allocation shall adjust automatically proportionate to the use by the City if either the size of the facility or the amount of space utilized by the City changes.

C. Aquatics Facility

The County entered into an interlocal agreement dated December 17, 2013, with the City of Fort Smith to authorize the sharing and/or allocating the expenses of designing and constructing an aquatic center. The County and City will equally share in any net operating loss or profit from operation of the aquatic center. The facility shall be managed and operated by the City, which shall initially pay all operating costs and receive and account for all revenues. Payment for any operating loss or profit shall be due no later than 90 days after the last day of operation for each calendar year.

NOTE 16: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and participation in a public entity risk pool. The amount of settlements, if any, has not exceeded the insurance coverage for each of the past three years, except for in 2024, the \$3,000,000 settlement noted in Note 6 above, exceeded general liability coverage by \$2,650,000. There were no significant reductions in insurance coverage in the major categories of risk from coverage in the prior year.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 16: Risk Management (Continued)

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

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

Property Program – This program is a blanket policy with coverage up to \$1,100,000,000 for any one loss with a \$2,000 deductible. The County shall pay into the program each year a charge established by the Risk Management Fund Board for covered county property.

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment by the program is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.
- B. Physical Damage - This program covers vehicles (excluding mobile equipment) which are the property of the participating county. Property is valued at the full cost to repair or replace the property after deduction for depreciation. Loss amounts payable will be reduced by the deductible amount of \$500 per occurrence. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 per case with an annual aggregate of \$500,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board.

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

NOTE 17: Arkansas Public Employees Retirement System

Plan Description

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

SEBASTIAN COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

NOTE 17: 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 \$2,704,598.

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 \$19,335,904.

NOTE 18: Employee Self-Insured Benefits

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. Insurance premiums collected in the amount of \$767,439, as reflected on the Statement of Revenue, Expenditures, and Changes in Fund Balance – Regulatory Basis, represent payroll deductions for employee, spouse, and dependent coverage, and COBRA and retiree payments received. Health insurance claims, administered by UMR, Inc., in the amount of \$2,783,598 were paid from this account. As of December 31, 2024, the balance in this account was \$671,753. To safeguard against catastrophic claims loss, the County maintains a stop loss policy with Zurich American Insurance Company that has the following features:

1. \$125,000 stop loss per individual.
2. \$3,263,047 Aggregate (county wide) stop loss.

SEBASTIAN COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	County Public Library	Solid Waste Management
ASSETS								
Cash and cash equivalents	\$ 557,225	\$ 496,693	\$ 254,550	\$ 102,751	\$ 153,638	\$ 1,015,575	\$ 1,764,553	\$ 795
Accounts receivable			4,153	730		78,969	21,186	
TOTAL ASSETS	<u>\$ 557,225</u>	<u>\$ 496,693</u>	<u>\$ 258,703</u>	<u>\$ 103,481</u>	<u>\$ 153,638</u>	<u>\$ 1,094,544</u>	<u>\$ 1,785,739</u>	<u>\$ 795</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 309	\$ 2,446				\$ 1,402	\$ 24,732	
Settlements pending								
Total Liabilities	<u>309</u>	<u>2,446</u>				<u>1,402</u>	<u>24,732</u>	
Fund Balances:								
Restricted	556,916	494,247	\$ 258,703	\$ 103,481	\$ 153,638	1,093,142	1,761,007	
Committed								\$ 795
Assigned								
Total Fund Balances	<u>556,916</u>	<u>494,247</u>	<u>258,703</u>	<u>103,481</u>	<u>153,638</u>	<u>1,093,142</u>	<u>1,761,007</u>	<u>795</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 557,225</u>	<u>\$ 496,693</u>	<u>\$ 258,703</u>	<u>\$ 103,481</u>	<u>\$ 153,638</u>	<u>\$ 1,094,544</u>	<u>\$ 1,785,739</u>	<u>\$ 795</u>

SEBASTIAN COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024

Schedule 1

SPECIAL REVENUE FUNDS								
	County Clerk's Cost	Reappraisal Cost	Communication Facility and Equipment	Drug Control	Jail Maintenance	Boating Safety and Enforcement	Emergency 911	Emergency Medical Services
ASSETS								
Cash and cash equivalents	\$ 169,474	\$ 184	\$ 165,067	\$ 108,351	\$ 154	\$ 1,095	\$ 4,503,160	\$ 18,661
Accounts receivable	1,011		3,569		27,127		451,510	42,488
TOTAL ASSETS	<u>\$ 170,485</u>	<u>\$ 184</u>	<u>\$ 168,636</u>	<u>\$ 108,351</u>	<u>\$ 27,281</u>	<u>\$ 1,095</u>	<u>\$ 4,954,670</u>	<u>\$ 61,149</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable							\$ 26,193	
Settlements pending								
Total Liabilities							<u>26,193</u>	
Fund Balances:								
Restricted	\$ 170,485	\$ 184	\$ 168,636	\$ 108,351	\$ 27,281	\$ 1,095	4,928,477	\$ 61,149
Committed								
Assigned								
Total Fund Balances	<u>170,485</u>	<u>184</u>	<u>168,636</u>	<u>108,351</u>	<u>27,281</u>	<u>1,095</u>	<u>4,928,477</u>	<u>61,149</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 170,485</u>	<u>\$ 184</u>	<u>\$ 168,636</u>	<u>\$ 108,351</u>	<u>\$ 27,281</u>	<u>\$ 1,095</u>	<u>\$ 4,954,670</u>	<u>\$ 61,149</u>

SEBASTIAN COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024

Schedule 1

SPECIAL REVENUE FUNDS								
	Emergency Vehicle	Victim/Witness	Drug Court Program	Public Safety	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Fee	American Rescue Plan Act
ASSETS								
Cash and cash equivalents	\$ 59,645	\$ 122	\$ 6,244	\$ 1,064	\$ 5,605	\$ 31,423	\$ 15,771	\$ 6,454,473
Accounts receivable	156			2	137	403	327	
TOTAL ASSETS	<u>\$ 59,801</u>	<u>\$ 122</u>	<u>\$ 6,244</u>	<u>\$ 1,066</u>	<u>\$ 5,742</u>	<u>\$ 31,826</u>	<u>\$ 16,098</u>	<u>\$ 6,454,473</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 136,095
Settlements pending								
Total Liabilities								<u>136,095</u>
Fund Balances:								
Restricted	\$ 59,801	\$ 122	\$ 6,244	\$ 1,066	\$ 5,742	\$ 31,826	\$ 16,098	6,318,378
Committed								
Assigned								
Total Fund Balances	<u>59,801</u>	<u>122</u>	<u>6,244</u>	<u>1,066</u>	<u>5,742</u>	<u>31,826</u>	<u>16,098</u>	<u>6,318,378</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 59,801</u>	<u>\$ 122</u>	<u>\$ 6,244</u>	<u>\$ 1,066</u>	<u>\$ 5,742</u>	<u>\$ 31,826</u>	<u>\$ 16,098</u>	<u>\$ 6,454,473</u>

SEBASTIAN COUNTY, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS			DEBT SERVICE FUND
	Federal Forfeiture	Drug Court Emergency and Contingency	Juvenile Court Representation	Adult Drug Court - Opioid Settlement	Capital Improvement Reserve General	General Fund Sales Tax Revenue	Justice Facilities Capital	Energy Conservation Note
ASSETS								
Cash and cash equivalents	\$ 368,560	\$ 15,857	\$ 12,930	\$ 23,142	\$ 3,194,858	\$ 560,233	\$ 7,628,623	\$ 145,743
Accounts receivable								
TOTAL ASSETS	\$ 368,560	\$ 15,857	\$ 12,930	\$ 23,142	\$ 3,194,858	\$ 560,233	\$ 7,628,623	\$ 145,743
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 2,686				
Settlements pending								
Total Liabilities				2,686				
Fund Balances:								
Restricted	\$ 368,560		\$ 12,930	20,456				\$ 145,743
Committed		\$ 15,857			\$ 3,194,858		\$ 7,628,623	
Assigned						\$ 560,233		
Total Fund Balances	368,560	15,857	12,930	20,456	3,194,858	560,233	7,628,623	145,743
TOTAL LIABILITIES AND FUND BALANCES	\$ 368,560	\$ 15,857	\$ 12,930	\$ 23,142	\$ 3,194,858	\$ 560,233	\$ 7,628,623	\$ 145,743

SEBASTIAN COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2024

Schedule 1

CUSTODIAL FUNDS							
	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	\$ 935,340	\$ 885,754	\$ 600,599	\$ 79,736	\$ 3,529,934	\$ 105,317	\$ 37,975,325
Accounts receivable							631,768
TOTAL ASSETS	<u>\$ 935,340</u>	<u>\$ 885,754</u>	<u>\$ 600,599</u>	<u>\$ 79,736</u>	<u>\$ 3,529,934</u>	<u>\$ 105,317</u>	<u>\$ 38,607,093</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 193,863
Settlements pending	\$ 935,340	\$ 885,754	\$ 600,599	\$ 79,736	\$ 3,529,934	\$ 105,317	10,139,106
Total Liabilities	<u>935,340</u>	<u>885,754</u>	<u>600,599</u>	<u>79,736</u>	<u>3,529,934</u>	<u>105,317</u>	<u>10,332,969</u>
Fund Balances:							
Restricted							16,873,758
Committed							10,840,133
Assigned							560,233
Total Fund Balances							<u>28,274,124</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 935,340</u>	<u>\$ 885,754</u>	<u>\$ 600,599</u>	<u>\$ 79,736</u>	<u>\$ 3,529,934</u>	<u>\$ 105,317</u>	<u>\$ 38,607,093</u>

SEBASTIAN 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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	County Public Library	Solid Waste Management	County Clerk's Cost
REVENUES									
State aid					\$ 42,342		\$ 112,684		
Federal aid							281		
Property taxes							300,457		
Sales taxes									
Fines, forfeitures, and costs				\$ 8,466					
Interest	\$ 29,847	\$ 24,183	\$ 1,695	711	1,139	\$ 23,622	28,130		\$ 8,598
Officers' fees			64,583			812,005			12,164
911 fees									
Ambulance fees									
Jail fees									
Treasurer's commission	11,516								
Collector's commission		27,175							
Taxes apportioned - Assessor's salary and expense							1,613		
Other		172	1,153	117	624	95,286	45,608		204
TOTAL REVENUES	41,363	51,530	67,431	9,294	44,105	930,913	488,773		20,966
Less: Treasurer's commission		490	1,339	180	869	16,489	7,413		410
NET REVENUES	41,363	51,040	66,092	9,114	43,236	914,424	481,360		20,556
EXPENDITURES									
Current:									
General government	31,082	35,010	18,835		30,761	812,703			
Law enforcement									
Public safety									
Health									
Recreation and culture							491,855		
Total Current	31,082	35,010	18,835		30,761	812,703	491,855		
Debt Service:									
Financed purchases principal									
Financed purchases interest									
TOTAL EXPENDITURES	31,082	35,010	18,835		30,761	812,703	491,855		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,281	16,030	47,257	9,114	12,475	101,721	(10,495)		20,556
OTHER FINANCING SOURCES (USES)									
Transfers in							49,413		
Transfers out							(2,400)		
Association of Arkansas Counties Risk Management Services proceeds									
Lawsuit settlement									
TOTAL OTHER FINANCING SOURCES (USES)							47,013		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	10,281	16,030	47,257	9,114	12,475	101,721	36,518		20,556
FUND BALANCES - JANUARY 1	546,635	478,217	211,446	94,367	141,163	991,421	1,724,489	\$ 795	149,929
FUND BALANCES - DECEMBER 31	\$ 556,916	\$ 494,247	\$ 258,703	\$ 103,481	\$ 153,638	\$ 1,093,142	\$ 1,761,007	\$ 795	\$ 170,485

SEBASTIAN 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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Reappraisal Cost	Support Collections Costs	Communication Facility and Equipment	Drug Control	Jail Maintenance	Boating Safety and Enforcement	Emergency 911	Emergency Medical Services	Emergency Vehicle
REVENUES									
State aid	\$ 398,132					\$ 3,342			
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs				\$ 4,568	\$ 300,283				\$ 4,455
Interest	1,423		\$ 1,238	802	1,089	15	\$ 136,994	\$ 2,838	417
Officers' fees		\$ 252	43,781						
911 fees							2,333,823		
Ambulance fees								1,801,096	
Jail fees			306,030						
Treasurer's commission									
Collector's commission									
Taxes apportioned - Assessor's salary and expense									
Other	21	8	651	217	3,699	1,843	43,862	12,945	70
TOTAL REVENUES	399,576	260	351,700	5,587	305,071	5,200	2,514,679	1,816,879	4,942
Less: Treasurer's commission	28	5	895	25	5,906	67	41,001	20,488	108
NET REVENUES	399,548	255	350,805	5,562	299,165	5,133	2,473,678	1,796,391	4,834
EXPENDITURES									
Current:									
General government	399,500	255							
Law enforcement			363,891	17,385	293,100				
Public safety						6,040	2,130,615		
Health								1,801,388	
Recreation and culture									
Total Current	399,500	255	363,891	17,385	293,100	6,040	2,130,615	1,801,388	
Debt Service:									
Financed purchases principal									
Financed purchases interest									
TOTAL EXPENDITURES	399,500	255	363,891	17,385	293,100	6,040	2,130,615	1,801,388	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	48		(13,086)	(11,823)	6,065	(907)	343,063	(4,997)	4,834
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Association of Arkansas Counties Risk Management Services proceeds									
Lawsuit settlement									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	48		(13,086)	(11,823)	6,065	(907)	343,063	(4,997)	4,834
FUND BALANCES - JANUARY 1	136		181,722	120,174	21,216	2,002	4,585,414	66,146	54,967
FUND BALANCES - DECEMBER 31	\$ 184	\$ 0	\$ 168,636	\$ 108,351	\$ 27,281	\$ 1,095	\$ 4,928,477	\$ 61,149	\$ 59,801

SEBASTIAN 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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Public Defender	Victim/Witness	Drug Court Program	Public Safety	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Fee	American Rescue Plan Act	Federal Forfeiture
REVENUES									
State aid									
Federal aid									
Property taxes							\$ 7,044		
Sales taxes									
Fines, forfeitures, and costs	\$ 4,221			\$ 16					
Interest					\$ 51			\$ 265,720	\$ 2,861
Officers' fees					6,916	\$ 10,995			
911 fees									
Ambulance fees									
Jail fees									
Treasurer's commission									
Collector's commission									
Taxes apportioned - Assessor's salary and expense									
Other	40				109	36	92	340,694	17,800
TOTAL REVENUES	4,261			16	7,076	11,031	7,136	606,414	20,661
Less: Treasurer's commission	85				142	214	140	6,927	56
NET REVENUES	4,176			16	6,934	10,817	6,996	599,487	20,605
EXPENDITURES									
Current:									
General government							30,061	2,477,050	
Law enforcement	4,176				7,000			399,206	71,890
Public safety									
Health									
Recreation and culture									
Total Current	4,176				7,000		30,061	2,876,256	71,890
Debt Service:									
Financed purchases principal									
Financed purchases interest									
TOTAL EXPENDITURES	4,176				7,000		30,061	2,876,256	71,890
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				16	(66)	10,817	(23,065)	(2,276,769)	(51,285)
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Association of Arkansas Counties Risk Management Services proceeds									
Lawsuit settlement									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES				16	(66)	10,817	(23,065)	(2,276,769)	(51,285)
FUND BALANCES - JANUARY 1		\$ 122	\$ 6,244	1,050	5,808	21,009	39,163	8,595,147	419,845
FUND BALANCES - DECEMBER 31	\$ 0	\$ 122	\$ 6,244	\$ 1,066	\$ 5,742	\$ 31,826	\$ 16,098	\$ 6,318,378	\$ 368,560

SEBASTIAN 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

Schedule 2

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS			DEBT SERVICE FUND	
	Drug Court Emergency and Contingency	Juvenile Court Representation	Adult Drug Court - Opioid Settlement	Capital Improvement Reserve General	General Fund Sales Tax Revenue	Justice Facilities Capital	Energy Conservation Note	Totals
REVENUES								
State aid			\$ 32,744					\$ 589,244
Federal aid								281
Property taxes								307,501
Sales taxes					\$ 548,690			548,690
Fines, forfeitures, and costs								322,009
Interest				\$ 135,471	3,652	\$ 485,745	\$ 2,352	1,158,593
Officers' fees								950,696
911 fees								2,333,823
Ambulance fees								1,801,096
Jail fees								306,030
Treasurer's commission								11,516
Collector's commission								27,175
Taxes apportioned - Assessor's salary and expense								1,613
Other				1,509	7,925		45	574,730
TOTAL REVENUES			32,744	136,980	560,267	485,745	2,397	8,932,997
Less: Treasurer's commission				3,098	11,045	11,786	47	129,253
NET REVENUES			32,744	133,882	549,222	473,959	2,350	8,803,744
EXPENDITURES								
Current:								
General government								3,835,257
Law enforcement			12,288			618,039		1,786,975
Public safety								2,136,655
Health								1,801,388
Recreation and culture					514,500			1,006,355
Total Current			12,288		514,500	618,039		10,566,630
Debt Service:								
Financed purchases principal							379,710	379,710
Financed purchases interest							154,471	154,471
TOTAL EXPENDITURES			12,288		514,500	618,039	534,181	11,100,811
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			20,456	133,882	34,722	(144,080)	(531,831)	(2,297,067)
OTHER FINANCING SOURCES (USES)								
Transfers in							534,185	583,598
Transfers out								(2,400)
Association of Arkansas Counties Risk Management Services proceeds						350,000		350,000
Lawsuit settlement						(3,000,000)		(3,000,000)
TOTAL OTHER FINANCING SOURCES (USES)						(2,650,000)	534,185	(2,068,802)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES			20,456	133,882	34,722	(2,794,080)	2,354	(4,365,869)
FUND BALANCES - JANUARY 1	\$ 15,857	\$ 12,930		3,060,976	525,511	10,422,703	143,389	32,639,993
FUND BALANCES - DECEMBER 31	\$ 15,857	\$ 12,930	\$ 20,456	\$ 3,194,858	\$ 560,233	\$ 7,628,623	\$ 145,743	\$ 28,274,124

SEBASTIAN COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024

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 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 Management	Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges, and licenses. Each fee, charge, and license shall be based on fee schedule contained in an ordinance. Sebastian County Ordinance no. 87-18 (August 18, 1987) authorized solid waste management fees.
County Clerk's Cost	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for County Clerk's cost.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024

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.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; including construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Emergency Medical Services	Ark. Code Ann. §§ 20-13-303 - 20-13-305 and Sebastian County Ordinance no. 85-39 (December 17, 1985) established fund to receive fees to provide for ambulance services for the County.
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.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024

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 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.
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 Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
American Rescue Plan Act	Sebastian County Ordinance no. 2021-10 (June 22, 2021) established fund 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.
Federal Forfeiture	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Drug Court Emergency and Contingency	Sebastian County Ordinance no. 2014-12 (September 16, 2014) established a fund to account for certain Circuit Court ordered revenues associated with the support and operation of the Sebastian County Drug Court Program.
Juvenile Court Representation	Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile representation.
Adult Drug Court - Opioid Settlement	Established to account for a grant from State-Wide Opioid Settlement proceeds to be used for evidence-based, evidence-informed, or promising activities, programs, or strategies that expand the availability of treatment for individuals affected by substance use disorders.

SEBASTIAN COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2024

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 Reserve General	Sebastian County Ordinance no. 82-13 (May 18, 1982) established fund to account for special one-time revenues earmarked for capital purchases as shall be designated by the Quorum Court.
General Fund Sales Tax Revenue	Sebastian County Resolution no. 2003-6 (April 15, 2003) established fund to account for a percentage of county-wide sales tax as allocated by the Quorum court for acquisition, construction, or remodeling of Sebastian county public service facilities. Resolution no. 2013-2 (February 19, 2013) specified that 11% of sales tax revenue shall be dedicated for capital expenditures.
Justice Facilities Capital	Sebastian County Ordinance no. 2023-3 (January 26, 2023) established fund to account for the funding from revenue replacement reimbursements committed for future capital expenditures.
Energy Conservation Note	Established in accordance with installment contract for the Energy Project Fund. Sebastian County Ordinance no. 2017-25 (November 21, 2017) established energy performance project.

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

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

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

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

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.

Other Custodial consists primarily of excess Treasurer and Collector commissions awaiting distribution and Juvenile Probation fees to be settled with Treasurer.

SEBASTIAN COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2024
(Unaudited)

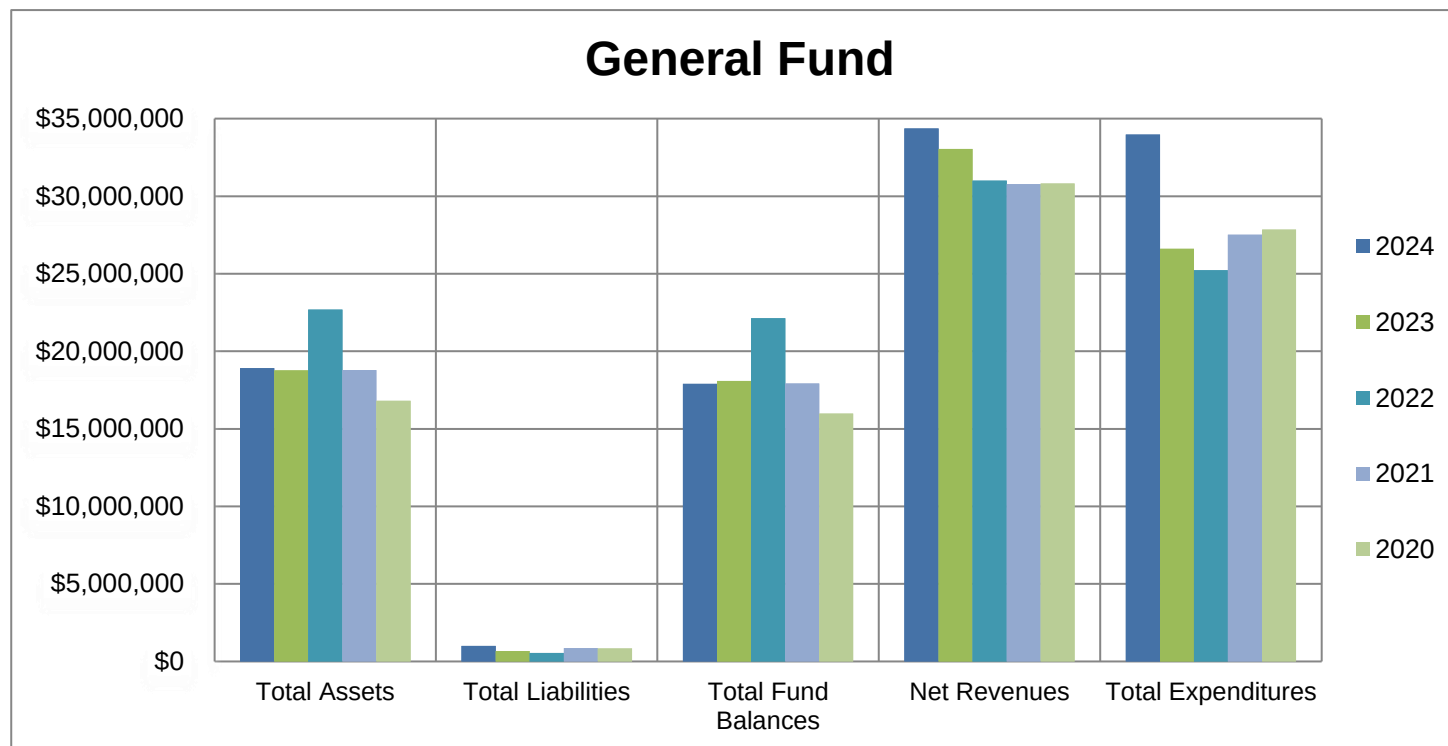
Schedule 3

	December 31, 2024
Land, buildings, and improvements	\$ 63,425,732
Construction-in-progress	1,708,124
Equipment	<u>25,855,459</u>
Total	<u><u>\$ 90,989,315</u></u>

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

Schedule 4-1

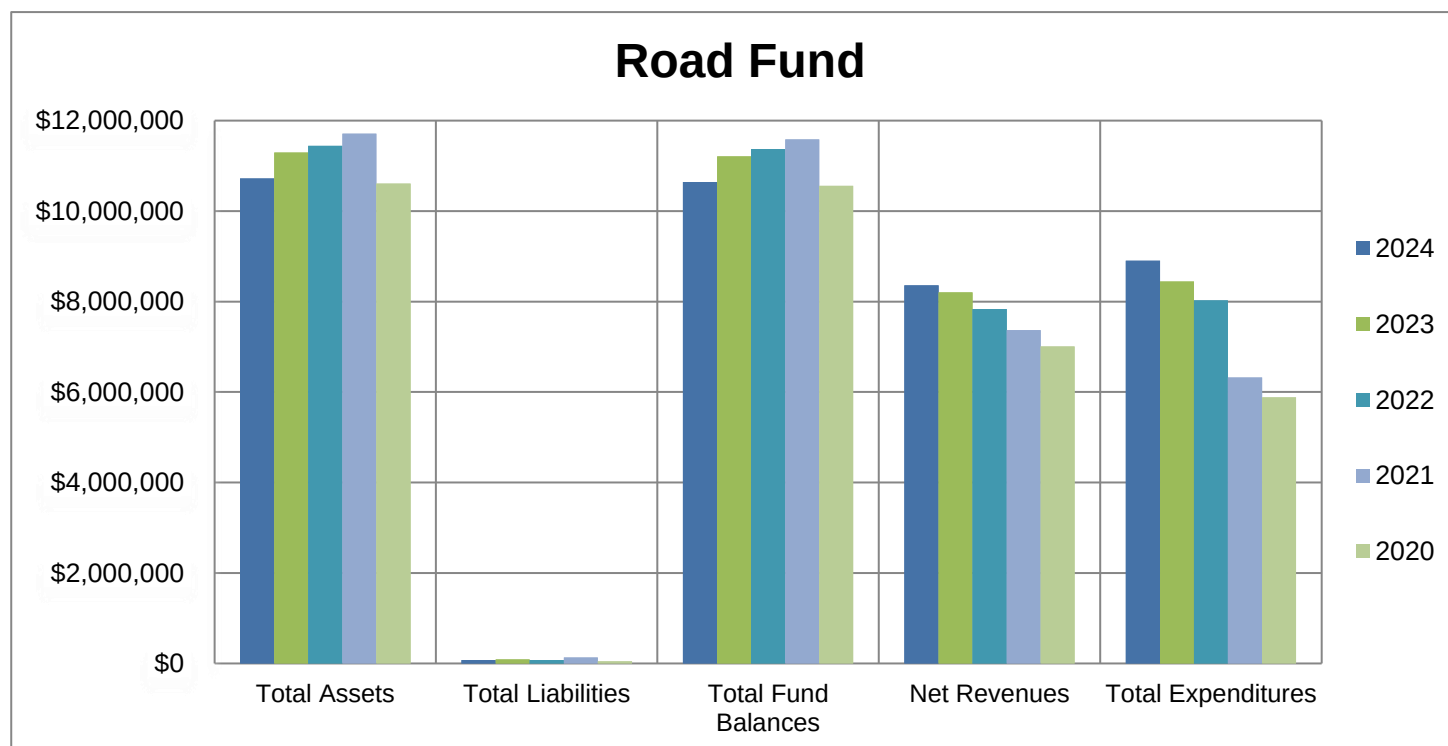
<u>General</u>	2024	2023	2022	2021	2020
Total Assets	\$ 18,902,936	\$ 18,756,498	\$ 22,689,152	\$ 18,778,451	\$ 16,814,018
Total Liabilities	1,007,114	680,381	553,224	866,038	828,201
Total Fund Balances	17,895,822	18,076,117	22,135,928	17,912,413	15,985,817
Net Revenues	34,355,067	33,040,420	31,004,733	30,767,092	30,824,293
Total Expenditures	33,974,969	26,605,879	25,218,888	27,510,581	27,850,050
Total Other Financing Sources/Uses	(560,393)	(10,494,352)	(1,562,330)	(1,329,915)	(2,949,258)



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

Schedule 4-2

<u>Road</u>	2024	2023	2022	2021	2020
Total Assets	\$ 10,722,879	\$ 11,295,780	\$ 11,443,112	\$ 11,713,828	\$ 10,609,649
Total Liabilities	76,487	86,906	73,803	128,525	48,581
Total Fund Balances	10,646,392	11,208,874	11,369,309	11,585,303	10,561,068
Net Revenues	8,357,701	8,199,220	7,831,763	7,366,535	7,008,923
Total Expenditures	8,899,378	8,445,406	8,026,952	6,321,495	5,885,579
Total Other Financing Sources/Uses	(20,805)	85,751	(20,805)	(20,805)	(5,912)



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2024	2023	2022	2021	2020
Total Assets	\$ 38,607,093	\$ 40,925,777	\$ 43,594,380	\$ 35,319,655	\$ 22,331,939
Total Liabilities	10,332,969	8,285,784	9,237,759	7,898,106	8,144,762
Total Fund Balances	28,274,124	32,639,993	34,356,621	27,421,549	14,187,177
Net Revenues	8,803,744	7,774,005	21,008,686	28,064,894	13,544,537
Total Expenditures	11,100,811	20,234,124	14,209,393	8,628,170	6,441,855
Total Other Financing Sources/Uses	(2,068,802)	10,743,491	135,779	(6,202,352)	(1,669,684)

