

Mississippi County, Arkansas

Financial and Compliance Report

December 31, 2018

LEGISLATIVE JOINT AUDITING COMMITTEE



MISSISSIPPI COUNTY, ARKANSAS
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Financial and Compliance Report

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Arkansas



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Senate Chair
Sen. Eddie Cheatham
Senate Vice Chair

Rep. Richard Womack
House Chair
Rep. DeAnn Vaught
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Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Mississippi 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 Mississippi County, Arkansas, as of and for the year ended December 31, 2018, and have issued our report thereon dated September 18, 2019. These procedures were not performed for the County Library and County Hospital Board Funds. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2018:

County Judge: Terri Brassfield
Treasurer: Peggy Meatte
Sheriff: Dale Cook
Tax Collector: Betty Hepler
County Clerk: Janice Currie
Circuit Clerk: Leslie Mason
Assessor: Harley Bradley

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

Noncompliance with state law and accepted accounting practices was noted in the offices of **County Judge, Tax Collector, and Assessor.**

County Judge.

Landfill funds of \$2,219 were not deposited for the period August 2018 through June 2019. Doris Thorp, part-time Landfill Billing Clerk, acknowledged that she misappropriated cash from the Landfill fee deposits. Thorp's employment was terminated June 18, 2019, and she reimbursed the County \$1,000 as of September 18, 2019.

Tax Collector

The Collector's bank accounts were undercollateralized by \$7,014,869 (87% of total deposits) in October 2018, in noncompliance with Ark. Code Ann § 19-8-107.

The following Information Systems weakness was discovered during a review of computers:

Assessor

The Disaster Recovery and Business Continuity Plan in place was inadequate (both technical and end user) for restoring from short-term or long-term interruptions of computer processing. This situation could cause the entity to be without computer processing for an extended period of time in the event of a disaster or major interruption and could have a severe impact on critical resources and affect essential services placing undue financial and personnel burden on the resources of the entity.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in cursive script that reads "Roger A. Norman".

Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

Little Rock, Arkansas
September 18, 2019
LOCO04718

MISSISSIPPI COUNTY, ARKANSAS
 BALANCE SHEET - REGULATORY BASIS
 DECEMBER 31, 2018
 (UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 5,021,933	\$ 2,228,372	\$ 12,185,953
Investments			675,673
Accounts receivable	475,307	20,005	1,112,084
TOTAL ASSETS	\$ 5,497,240	\$ 2,248,377	\$ 13,973,710
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 133,316	\$ 46,361	\$ 275,589
Settlements pending		914	1,459,796
Total Liabilities	133,316	47,275	1,735,385
 Fund Balances:			
Restricted		2,201,102	12,162,302
Assigned	17,604		76,023
Unassigned	5,346,320		
Total Fund Balances	5,363,924	2,201,102	12,238,325
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,497,240	\$ 2,248,377	\$ 13,973,710

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

MISSISSIPPI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 735,462	\$ 2,001,551	\$ 258,813
Federal aid	33,202		306,318
Property taxes	4,667,761	1,171,966	660,480
Sales taxes	2,158,527		8,302,765
Fines, forfeitures, and costs	560,185		129,114
Interest	20,826	15,860	112,906
Officers' fees	120,008		252,165
Jail Fees			1,432,535
Emergency 911 Fees			346,289
Landfill fees			3,620,208
Franchise fees	5,769		
Gain/(loss) on investments			(498)
Treasurer's commission	170,758		59,885
Collector's commission	251,900		128,536
Taxes apportioned - Assessor's salary and expense	625,850		
Other	344,831	26,911	84,700
TOTAL REVENUES	9,695,079	3,216,288	15,694,216
Less: Treasurer's commission	60,719	24,281	86,264
NET REVENUES	9,634,360	3,192,007	15,607,952
EXPENDITURES			
Current:			
General government	3,116,843		1,443,328
Law enforcement	4,317,838		3,003,211
Highways and streets		2,558,802	
Public safety	37,500		434,083
Sanitation			2,310,208
Health	78,822		
Social services	390,572		431,399
Total Current	7,941,575	2,558,802	7,622,229
Debt Service:			
Bond principal			477,077
Bond interest and other charges			67,607
Lease principal		12,463	
Lease interest		3,000	
TOTAL EXPENDITURES	7,941,575	2,574,265	8,166,913

MISSISSIPPI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 1,692,785	\$ 617,742	\$ 7,441,039
OTHER FINANCING SOURCES (USES)			
Transfers in	475,000		587,058
Transfers out			(1,062,058)
Transfer of property and sales taxes to County Hospital Board			(4,037,119)
TOTAL OTHER FINANCING SOURCES (USES)	475,000		(4,512,119)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,167,785	617,742	2,928,920
FUND BALANCES - JANUARY 1	3,196,139	1,583,360	9,309,405
FUND BALANCES - DECEMBER 31	\$ 5,363,924	\$ 2,201,102	\$ 12,238,325

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

MISSISSIPPI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATOR BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 774,587	\$ 735,462	\$ (39,125)	\$ 2,001,551	\$ 2,001,551	\$ 0
Federal aid	9,353	33,202	23,849			
Property taxes	4,538,370	4,667,761	129,391	1,164,874	1,171,966	7,092
Sales taxes	2,153,340	2,158,527	5,187			
Fines, forfeitures, and costs	474,660	560,185	85,525			
Interest	6,729	20,826	14,097	3,341	15,860	12,519
Officers' fees	116,421	120,008	3,587			
Franchise fees	11,772	5,769	(6,003)			
Treasurer's commission	182,053	170,758	(11,295)			
Collector's commission	247,503	251,900	4,397			
Taxes apportioned - Assessor's salary and expense	627,388	625,850	(1,538)			
Other	318,312	344,831	26,519	23,601	26,911	3,310
TOTAL REVENUES	9,460,488	9,695,079	234,591	3,193,367	3,216,288	22,921
Less: Treasurer's commission	157,920	60,719	97,201	12,481	24,281	(11,800)
NET REVENUES	9,302,568	9,634,360	331,792	3,180,886	3,192,007	11,121
EXPENDITURES						
Current:						
General government	3,304,919	3,116,843	188,076			
Law enforcement	3,843,414	4,317,838	(474,424)			
Highways and streets				2,660,743	2,558,802	101,941
Public safety	36,922	37,500	(578)			
Health	83,782	78,822	4,960			
Social services	171,483	390,572	(219,089)			
Total Current	7,440,520	7,941,575	(501,055)	2,660,743	2,558,802	101,941
Debt Service:						
Lease principal					12,463	(12,463)
Lease interest					3,000	(3,000)
TOTAL EXPENDITURES	7,440,520	7,941,575	(501,055)	2,660,743	2,574,265	86,478

MISSISSIPPI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATOR BASIS
FOR THE YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 1,862,048</u>	<u>\$ 1,692,785</u>	<u>\$ (169,263)</u>	<u>\$ 520,143</u>	<u>\$ 617,742</u>	<u>\$ 97,599</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	978,214	475,000	(503,214)			
Transfers out	<u>(1,725,606)</u>	<u>475,000</u>	<u>1,725,606</u>			
TOTAL OTHER FINANCING SOURCES (USES)	<u>(747,392)</u>	<u>475,000</u>	<u>1,222,392</u>			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,114,656	2,167,785	1,053,129	520,143	617,742	97,599
FUND BALANCES - JANUARY 1	<u>1,114,656</u>	<u>3,196,139</u>	<u>3,196,139</u>	<u>520,143</u>	<u>1,583,360</u>	<u>1,583,360</u>
FUND BALANCES - DECEMBER 31	<u>\$ 1,114,656</u>	<u>\$ 5,363,924</u>	<u>\$ 4,249,268</u>	<u>\$ 520,143</u>	<u>\$ 2,201,102</u>	<u>\$ 1,680,959</u>

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

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2018
 (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	Solid Waste	Child Support Collection Costs	Communication Facility and Equipment
ASSETS									
Cash and cash equivalents	\$ 51,319	\$ 235,008	\$ 35,787		\$ 1,879	\$ 223,967	\$ 846,950	\$ 889	\$ 33,258
Investments									
Accounts receivable	<u>42</u>	<u>141</u>	<u>1,157</u>	<u>\$ 169</u>	<u>636</u>	<u>15,727</u>	<u>295,850</u>	<u>1</u>	<u>1,286</u>
TOTAL ASSETS	<u>\$ 51,361</u>	<u>\$ 235,149</u>	<u>\$ 36,944</u>	<u>\$ 169</u>	<u>\$ 2,515</u>	<u>\$ 239,694</u>	<u>\$ 1,142,800</u>	<u>\$ 890</u>	<u>\$ 34,544</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 1,801				\$ 22,831	\$ 145,032		\$ 183
Settlements pending									
Total Liabilities		<u>1,801</u>				<u>22,831</u>	<u>145,032</u>		<u>183</u>
Fund Balances:									
Restricted	\$ 51,361	233,348	\$ 36,944	\$ 169	\$ 2,515	216,863	997,768	\$ 890	34,361
Assigned									
Total Fund Balances	<u>51,361</u>	<u>233,348</u>	<u>36,944</u>	<u>169</u>	<u>2,515</u>	<u>216,863</u>	<u>997,768</u>	<u>890</u>	<u>34,361</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 51,361</u>	<u>\$ 235,149</u>	<u>\$ 36,944</u>	<u>\$ 169</u>	<u>\$ 2,515</u>	<u>\$ 239,694</u>	<u>\$ 1,142,800</u>	<u>\$ 890</u>	<u>\$ 34,544</u>

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2018
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Adult Drug Court	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	County Hospital
ASSETS									
Cash and cash equivalents	\$ 500	\$ 70,311	\$ 24	\$ 174,303	\$ 4,507	\$ 59,569	\$ 9,588	\$ 170	
Investments									
Accounts receivable		6,333	1	7,514	90	715	132		\$ 271,526
TOTAL ASSETS	\$ 500	\$ 76,644	\$ 25	\$ 181,817	\$ 4,597	\$ 60,284	\$ 9,720	\$ 170	\$ 271,526
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable				\$ 12,404	\$ 118				
Settlements pending									\$ 537
Total Liabilities				12,404	118				537
Fund Balances:									
Restricted	\$ 500	\$ 76,644	\$ 25	169,413	4,479	\$ 60,284	\$ 9,720	\$ 170	270,989
Assigned									
Total Fund Balances	500	76,644	25	169,413	4,479	60,284	9,720	170	270,989
TOTAL LIABILITIES AND FUND BALANCES	\$ 500	\$ 76,644	\$ 25	\$ 181,817	\$ 4,597	\$ 60,284	\$ 9,720	\$ 170	\$ 271,526

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2018
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Senior Citizens	Economic Development	Sheriff's Helicopter	Local Emergency Response Grant	County Jail Sales Tax	Landfill	Juvenile Detention Grant	Historic Preservation Grant
ASSETS								
Cash and cash equivalents	\$ 48,793	\$ 8,661,265	\$ 868	\$ 746	\$ 141,493	\$ 82,306	\$ 13,453	\$ 301
Investments						675,673		
Accounts receivable	22,003	264,845	1		190,806			33,109
TOTAL ASSETS	\$ 70,796	\$ 8,926,110	\$ 869	\$ 746	\$ 332,299	\$ 757,979	\$ 13,453	\$ 33,410
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 12,223	\$ 1,079			\$ 45,930		\$ 748	\$ 33,240
Settlements pending								
Total Liabilities	12,223	1,079			45,930		748	33,240
Fund Balances:								
Restricted	58,573	8,925,031	\$ 869	\$ 746	210,346	\$ 757,979	12,705	170
Assigned					76,023			
Total Fund Balances	58,573	8,925,031	869	746	286,369	757,979	12,705	170
TOTAL LIABILITIES AND FUND BALANCES	\$ 70,796	\$ 8,926,110	\$ 869	\$ 746	\$ 332,299	\$ 757,979	\$ 13,453	\$ 33,410

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2018
 (UNAUDITED)

Schedule 1

	DEBT SERVICE FUND	AGENCY FUNDS						Totals
	Arkansas Natural Resources Commission Solid Waste Revenue Bond	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Other Agency Accounts	
ASSETS								
Cash and cash equivalents	\$ 29,440	\$ 263,148	\$ 357,371	\$ 148,742	\$ 96,434	\$ 282,139	\$ 311,425	\$ 12,185,953
Investments								675,673
Accounts receivable								1,112,084
TOTAL ASSETS	<u>\$ 29,440</u>	<u>\$ 263,148</u>	<u>\$ 357,371</u>	<u>\$ 148,742</u>	<u>\$ 96,434</u>	<u>\$ 282,139</u>	<u>\$ 311,425</u>	<u>\$ 13,973,710</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 275,589
Settlements pending		\$ 263,148	\$ 357,371	\$ 148,742	\$ 96,434	\$ 282,139	\$ 311,425	1,459,796
Total Liabilities		<u>263,148</u>	<u>357,371</u>	<u>148,742</u>	<u>96,434</u>	<u>282,139</u>	<u>311,425</u>	<u>1,735,385</u>
Fund Balances:								
Restricted	\$ 29,440							12,162,302
Assigned								76,023
Total Fund Balances	<u>29,440</u>							<u>12,238,325</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 29,440</u>	<u>\$ 263,148</u>	<u>\$ 357,371</u>	<u>\$ 148,742</u>	<u>\$ 96,434</u>	<u>\$ 282,139</u>	<u>\$ 311,425</u>	<u>\$ 13,973,710</u>

MISSISSIPPI 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, 2018
 (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	Solid Waste	Child Support Collection Costs	Communication Facility and Equipment
REVENUES									
State aid				\$ 10,296					
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 20,881						
Interest	\$ 169	\$ 761	133	11	\$ 25	\$ 869	\$ 3,247	\$ 3	\$ 77
Officers' fees					6,963	216,457		528	13,523
Jail Fees									51,390
Emergency 911 fees									
Landfill fees							3,620,208		
Gain/(loss) on investments									
Treasurer's commission	59,885								
Collector's commission		128,536							
Other	28	127		169	99	169	5,481		
TOTAL REVENUES	60,082	129,424	21,014	10,476	7,087	217,495	3,628,936	531	64,990
Less: Treasurer's commission			160		54	1,670	26,895	4	109
NET REVENUES	60,082	129,424	20,854	10,476	7,033	215,825	3,602,041	527	64,881
EXPENDITURES									
Current:									
General government	55,611	153,288		9,846	13,436	203,575		183	
Law enforcement			15,226						38,758
Public safety									
Sanitation							2,309,408		
Social services									
Total Current	55,611	153,288	15,226	9,846	13,436	203,575	2,309,408	183	38,758
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	55,611	153,288	15,226	9,846	13,436	203,575	2,309,408	183	38,758
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,471	(23,864)	5,628	630	(6,403)	12,250	1,292,633	344	26,123
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out							(849,195)		
Transfer of property and sales taxes to County Hospital Board									
TOTAL OTHER FINANCING SOURCES (USES)							(849,195)		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	4,471	(23,864)	5,628	630	(6,403)	12,250	443,438	344	26,123
FUND BALANCES - JANUARY 1	46,890	257,212	31,316	(461)	8,918	204,613	554,330	546	8,238
FUND BALANCES - DECEMBER 31	\$ 51,361	\$ 233,348	\$ 36,944	\$ 169	\$ 2,515	\$ 216,863	\$ 997,768	\$ 890	\$ 34,361

MISSISSIPPI 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, 2018
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Adult Drug Court	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	County Hospital
REVENUES									
State aid			\$ 1,992						\$ 51,841
Federal aid									
Property taxes								\$ 957	659,523
Sales taxes									3,321,250
Fines, forfeitures, and costs		\$ 106,213			\$ 1,540				
Interest		95	1	\$ 626	1	\$ 308	\$ 36	1	425
Officers' fees						13,343	1,351		
Jail Fees									
Emergency 911 fees				346,289					
Landfill fees									
Gain/(loss) on investments									
Treasurer's commission									
Collector's commission									
Other				416		1,075			
TOTAL REVENUES		106,308	1,993	347,331	1,541	14,726	1,387	958	4,033,039
Less: Treasurer's commission		798	15	3,845	13	103	9	7	30,829
NET REVENUES		105,510	1,978	343,486	1,528	14,623	1,378	951	4,002,210
EXPENDITURES									
Current:									
General government								2,132	
Law enforcement		33,854			15,364	35,715			
Public safety			1,978	417,105					
Sanitation									
Social services									
Total Current		33,854	1,978	417,105	15,364	35,715		2,132	
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES		33,854	1,978	417,105	15,364	35,715		2,132	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		71,656		(73,619)	(13,836)	(21,092)	1,378	(1,181)	4,002,210
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Transfer of property and sales taxes to County Hospital Board									(4,037,119)
TOTAL OTHER FINANCING SOURCES (USES)									(4,037,119)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		71,656		(73,619)	(13,836)	(21,092)	1,378	(1,181)	(34,909)
FUND BALANCES - JANUARY 1	\$ 500	4,988	25	243,032	18,315	81,376	8,342	1,351	305,898
FUND BALANCES - DECEMBER 31	\$ 500	\$ 76,644	\$ 25	\$ 169,413	\$ 4,479	\$ 60,284	\$ 9,720	\$ 170	\$ 270,989

MISSISSIPPI 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, 2018
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Senior Citizens	Economic Development	Sheriff's Helicopter	Local Emergency Response Grant	Officers' Protection Equipment	County Jail Sales Tax	Landfill	Juvenile Detention Grant
REVENUES								
State aid	\$ 112,469							
Federal aid	289,427							\$ 16,891
Property taxes								
Sales taxes		\$ 3,321,250				\$ 1,660,265		
Fines, forfeitures, and costs						480		
Interest	182	91,450	\$ 7	\$ 2		1,374	\$ 10,678	
Officers' fees								
Jail Fees						1,381,145		
Emergency 911 fees								
Landfill fees								
Gain/(loss) on investments							(498)	
Treasurer's commission								
Collector's commission								
Other	46,963		46			30,127		
TOTAL REVENUES	449,041	3,412,700	53	2		3,073,391	10,180	16,891
Less: Treasurer's commission	45					21,708		
NET REVENUES	448,996	3,412,700	53	2		3,051,683	10,180	16,891
EXPENDITURES								
Current:								
General government		938,212						
Law enforcement			2,755		\$ 30	2,841,337		20,172
Public safety								
Sanitation								
Social services	431,399							
Total Current	431,399	938,212	2,755		30	2,841,337		20,172
Debt Service:								
Bond principal								
Bond interest and other charges								
TOTAL EXPENDITURES	431,399	938,212	2,755		30	2,841,337		20,172
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	17,597	2,474,488	(2,702)	2	(30)	210,346	10,180	(3,281)
OTHER FINANCING SOURCES (USES)								
Transfers in							41,559	
Transfers out								
Transfer of property and sales taxes to County Hospital Board								
TOTAL OTHER FINANCING SOURCES (USES)							41,559	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	17,597	2,474,488	(2,702)	2	(30)	210,346	51,739	(3,281)
FUND BALANCES - JANUARY 1	40,976	6,450,543	3,571	744	30	76,023	706,240	15,986
FUND BALANCES - DECEMBER 31	\$ 58,573	\$ 8,925,031	\$ 869	\$ 746	\$ 0	\$ 286,369	\$ 757,979	\$ 12,705

MISSISSIPPI 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, 2018
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUND	DEBT SERVICE FUND	Totals
	Court Security Grant	Historic Preservation Grant	Arkansas Natural Resources Commission Landfill Cell Construction	Arkansas Natural Resources Commission Solid Waste Revenue Bond	
REVENUES					
State aid	\$ 15,000	\$ 67,215			\$ 258,813
Federal aid					306,318
Property taxes					660,480
Sales taxes					8,302,765
Fines, forfeitures, and costs					129,114
Interest			\$ 912	\$ 1,513	112,906
Officers' fees					252,165
Jail Fees					1,432,535
Emergency 911 fees					346,289
Landfill fees					3,620,208
Gain/(loss) on investments					(498)
Treasurer's commission					59,885
Collector's commission					128,536
Other					84,700
TOTAL REVENUES	15,000	67,215	912	1,513	15,694,216
Less: Treasurer's commission					86,264
NET REVENUES	15,000	67,215	912	1,513	15,607,952
EXPENDITURES					
Current:					
General government		67,045			1,443,328
Law enforcement					3,003,211
Public safety	15,000				434,083
Sanitation				800	2,310,208
Social services					431,399
Total Current	15,000	67,045		800	7,622,229
Debt Service:					
Bond principal				477,077	477,077
Bond interest and other charges				67,607	67,607
TOTAL EXPENDITURES	15,000	67,045		545,484	8,166,913
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		170	912	(543,971)	7,441,039
OTHER FINANCING SOURCES (USES)					
Transfers in				545,499	587,058
Transfers out			(212,863)		(1,062,058)
Transfer of property and sales taxes to County Hospital Board					(4,037,119)
TOTAL OTHER FINANCING SOURCES (USES)			(212,863)	545,499	(4,512,119)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		170	(211,951)	1,528	2,928,920
FUND BALANCES - JANUARY 1			211,951	27,912	9,309,405
FUND BALANCES - DECEMBER 31	\$ 0	\$ 170	\$ 0	\$ 29,440	\$ 12,238,325

MISSISSIPPI COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2018

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.
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 at least 35% of fees collected by county clerks to be used to purchase, maintain, and operate an automated records system.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate an automated records system.
Solid Waste	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 a fee schedule contained in an ordinance. County Ordinance no. 2013-15 (November 19, 2013) authorized solid waste fees for operation, maintenance, cell construction, and closure and postclosure costs for the landfill.
Child Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communications equipment and repair and to train operations staff.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the County Jail.

MISSISSIPPI COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2018

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

<u>Fund Name</u>	<u>Fund Description</u>
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. § 12-10-308 established fund to receive fees collected by commercial mobile radio service and telephone providers for 911 emergency services.
Adult Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive costs set by drug court judges to be used for treatment, drug testing, and supervision costs.
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 Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
County Hospital	Mississippi County Ordinance no. 2016-12 (November 28, 2006) established a four mill real and personal property tax per an election by the voters for hospital purposes. Mississippi County Ordinance no. 2014-12 (July 22, 2014) established a sales tax approved by the voters for hospital purposes.
Senior Citizens	Established to account for federal and state funds received to maintain the Senior Citizens Center and provide services to seniors.
Economic Development	Mississippi County Ordinance no. 2010-9 (May 25, 2010) provided for the levy of a one-half percent sales tax as decided by the voters for economic development purposes. State and Federal grants are also received for economic development purposes.
Sheriff's Helicopter	Established to account for donations to be used for sheriff and helicopter expenses.
Local Emergency Response Grant	Established to account for grants received to be used for the Office of Emergency Services.
Officers' Protection Equipment	Established to account for donations received for the purchase of police firearms and ammunition.

MISSISSIPPI COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2018

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

<u>Fund Name</u>	<u>Fund Description</u>
County Jail Sales Tax	Mississippi County Ordinance no. O-98-11 (July 28, 1998) provided for a one eighth of one percent sales and use tax as decided by the voters to be designated for the purpose of financing the operation and maintenance of court facilities, jails, juvenile facilities, and Sheriff's stations. The County includes jail fee revenue in this fund as well as reimbursements of restricted sales tax revenue spent to house prisoners.
Landfill	Established to meet the financial assurance requirements of Ark. Code Ann. §§ 8-6-1603, 8-6-1002. This is an approved mechanism to be used to demonstrate financial assurance by Arkansas Department of Environmental Quality.
Juvenile Detention Grant	Established to account for grants received from the Arkansas Department of Finance and Administration to supplement juvenile detention facilities operations.
Court Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Historic Preservation Grant	Established to account for grant received from the Arkansas Historic Preservation Program, an agency of the Department of Arkansas Heritage, for repairs to restore the courthouse.
Arkansas Natural Resources Commission Landfill Cell Construction	Established to account for proceeds from a Solid Waste Revenue Bond from the Arkansas Natural Resources Commission used to finance construction for a new cell at the County Landfill.
Arkansas Natural Resources Commission Solid Waste Revenue Bond	Established to account for debt service payments for Arkansas Natural Resources Commission Solid Waste Revenue Bond.

Treasurer's accounts consist primarily of fines, fees and Law Library monies awaiting settlements.

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

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

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

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

Other Agency accounts consist of landfill monies, probation fees awaiting disposition to the county, and petty cash used for the Senior Citizens program.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

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

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, 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.

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

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

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

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

1. (Continued)

B. Basis of Accounting

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 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. 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.

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Investments

Investments are reported at fair market value.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, interest, fees, payroll settlements and tax settlements that have not been transferred to the appropriate entities.

Fund Balance Classifications

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

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

1. (Continued)

D. Property Taxes

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

E. Budget Law

1. Legal Requirements

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

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund, 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.

There were no committed fund balances at year-end.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

2. Details of Fund Balance Classifications

Fund balance classifications at December 31, 2018, are composed of the following:

<u>Description</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>Other Funds in the Aggregate</u>
Fund Balances:			
Restricted for:			
General government			\$ 9,440,237
Law enforcement			437,132
Highways and streets		\$ 2,201,102	
Public safety			170,184
Sanitation			1,755,747
Health			270,989
Social services			58,573
Debt service			29,440
Total Restricted		<u>2,201,102</u>	<u>12,162,302</u>
Assigned to:			
General government	\$ 2,418		
Law enforcement	15,186		76,023
Total Assigned	<u>17,604</u>		<u>76,023</u>
Unassigned	<u>5,346,320</u>		
Totals	<u>\$ 5,363,924</u>	<u>\$ 2,201,102</u>	<u>\$ 12,238,325</u>

3. Commitments

Total commitments consist of the following at December 31, 2018:

	<u>December 31, 2018</u>
Long-term liabilities	\$ 4,012,068
Noncancellable leases	762,458
Construction contract	<u>298,120</u>
Total Commitments	<u>\$ 5,072,646</u>

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

3. Commitments (Continued)

Long-term Liabilities

Long-term liabilities at December 31, 2018, are comprised of the following:

	December 31, 2018
Solid Waste Revenue Bond through the Arkansas Natural Resources Commission, due in semi-annual installments of \$165,918 through December 2026, interest rate 2.75%. Payments are to be made from the Arkansas Natural Resources Commission Solid Waste Revenue Bond Fund.	\$ 2,152,661
The County entered into a capital lease agreement for a Caterpillar Motor Grader on April 30, 2018. Terms are 60 monthly payments of \$2,209 at 4.55% interest, with a \$1 balloon payments added to the final payment. Payments are to be made from the Road Fund.	105,887
Estimated Liability for Closure and Postclosure Care Costs	1,592,172
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	161,348
Total Long-term liabilities	\$ 4,012,068

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

Landfill Closure and Postclosure Care Costs⁹⁴

State and federal laws require that Mississippi County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at landfill sites for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfills stop accepting waste, the County is required to recognize a portion of these closure and postclosure care costs each year based on the landfills' capacity used as of each balance sheet date. The estimated liability for landfill and postclosure care costs has a balance of \$1,592,172 as of December 31, 2018, which is based on 23.21% use of the class one landfill and 5.78% use of the class four landfill's capacity. The County will recognize the remaining estimated cost of closure and postclosure care of \$5,771,551 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2018. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The County has set aside \$757,979 in a Trust Fund as a restricted fund balance intended for closure and postclosure care costs.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

3. Commitments (Continued)

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2018:

Years Ending December 31,	Bonds	Leases	Total
2019	\$ 331,836	\$ 24,300	\$ 356,136
2020	331,836	26,509	358,345
2021	331,836	26,509	358,345
2022	331,836	26,509	358,345
2023	331,836	13,255	345,091
2024 through 2026	728,431		728,431
Total Obligations	2,387,611	117,082	2,504,693
Less Interest	234,950	11,195	246,145
Total Principal	<u>\$ 2,152,661</u>	<u>\$ 105,887</u>	<u>\$ 2,258,548</u>

Noncancellable Leases

The County entered into a noncancellable lease agreement for two Caterpillar Motor Graders on July 29, 2016. Terms of the lease are monthly rental payments of \$3,188 for 36 months. At the end of the lease term, the County plans to return the equipment.

The County entered into a noncancellable lease agreement for five Mack Dump Trucks on July 23, 2018. Terms of the lease are monthly rental payments of \$8,976 for 36 months. At the end of the lease term, the County plans to return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar Wheel Loader on February 28, 2017. Terms of the lease are monthly rental payments of \$6,182 for 36 months. At the end of the lease term, the County plans to return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar Landfill Compactor on December 22, 2016. Terms of the lease are monthly rental payments of \$12,026 for 36 months. At the end of the lease term, the county plans to return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar Dozer on June 22, 2018. Terms of the lease are monthly rental payments of \$8,620 for 36 months. At the end of the lease term, the County plans to return the equipment.

The County is obligated for the following amounts for the next three years:

Year	December 31, 2018
2019	\$ 436,753
2020	211,153
2021	114,552
Total	<u>\$ 762,458</u>

Rental expense for 2018 was \$426,863.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

3. Commitments (Continued)

Construction Contract

The County was contractually obligated for the following construction contract at December 31, 2018:

Project Name	Completion Date	Contract Balance December 31, 2018
Mississippi County Class 1 Phase 1 Landfill Improvements	August 31, 2019	<u>\$ 298,120</u>

4. Interfund Transfers

Other Funds in the Aggregate (Solid Waste) transferred \$475,000 to General Fund for reimbursement of prior year expenditures. Within Other Funds in the Aggregate, the Solid Waste Fund transferred \$374,195 (\$332,636 to Arkansas Natural Resources Commission Solid Waste Revenue Bond and \$41,559 to Landfill) for solid waste debt and operational purposes. Also, within Other Funds in the Aggregate the Arkansas Natural Resources Commission Landfill Cell Construction Fund transferred \$212,863 to Arkansas Natural Resources Commission Solid Waste Revenue Bond Fund for solid waste debt purposes.

5. Subsequent Events

On May 21, 2019, the County issued \$18,100,000 of General Obligation Bonds with interest rates ranging from 3.375% to 5% percent. The bond proceeds will be used to renovate and improve the Blytheville and Osceola Courthouses.

6. Pledged Revenues

The County pledged future landfill fees to repay \$2,884,000 in Solid Waste Revenue Bonds that were issued in 2016 to provide funding for the costs of acquiring, constructing and equipping a waste disposal cell and ancillary facilities for the County's landfill. Total principal and interest remaining on the bonds are \$2,152,661 and \$234,950, respectively, payable through June 1, 2026. For 2018, principal and interest paid were \$477,077 and \$67,607, respectively.

The Solid Waste Fund received \$3,620,208 in landfill fees in 2018. Any landfill fees collected in excess of debt service payments on these bonds is permitted to be used for landfill related purposes.

7. Joint Venture: Regional Library

Mississippi and Crittenden Counties entered into an agreement on July 23, 1991, in accordance with Ark. Code Ann. § 13-2-401 to establish the Mississippi County/Crittenden County Regional Library. The agreement states that the purpose of forming the regional library is "...providing improved library services to the people of the two counties. Each county shall provide its own library facilities and exercise exclusive control, ownership and management thereof, and pay the salaries for regional county library personnel in that county." The business of the Mississippi County/Crittenden County Regional Library is to be conducted by a regional board, composed of the two administrative county boards (10 members) which boards shall continue to function over their respective systems. The Regional Library Board shall approve the employment and termination of regional library personnel, the regional budget and expenditures, and regional library policies. The system headquarters shall be in Mississippi County, Arkansas. The County made no payments to the Mississippi County/Crittenden County Regional Library in 2018. Contact the Mississippi County/Crittenden County Regional Library at 200 North 5th Street, Blytheville, Arkansas 72135 to obtain financial statements.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2018
(UNAUDITED)

8. Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. 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, 2018 (date of APERS Employer Allocation Report) were \$943,255.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, is 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, 2018 (actuarial valuation date and measurement date) was \$7,531,282 .

9. Capital Assets

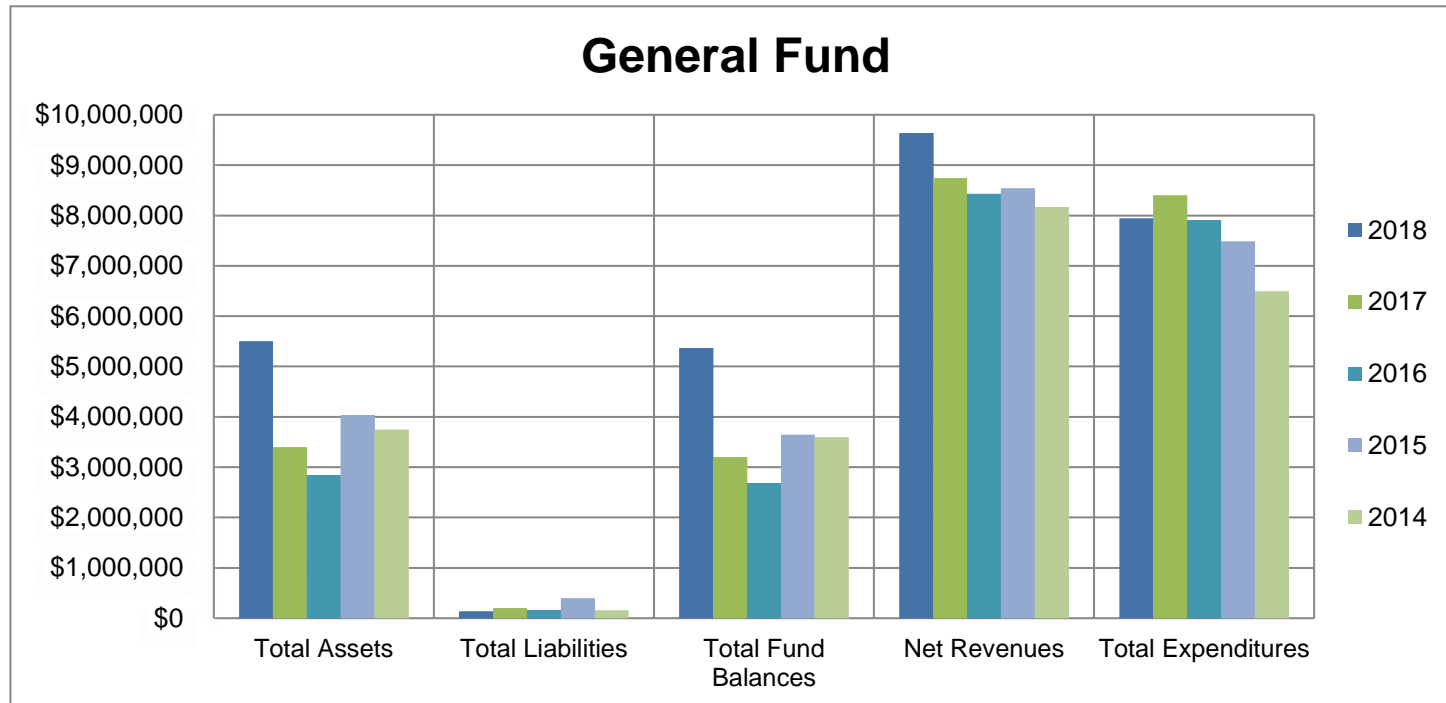
The municipality's fixed asset records are summarized below:

	December 31, 2018
Land	\$ 3,007,018
Buildings	18,866,604
Equipment	9,036,259
Total	\$ 30,909,881

MISSISSIPPI COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2018
 (UNAUDITED)

Schedule 3-1

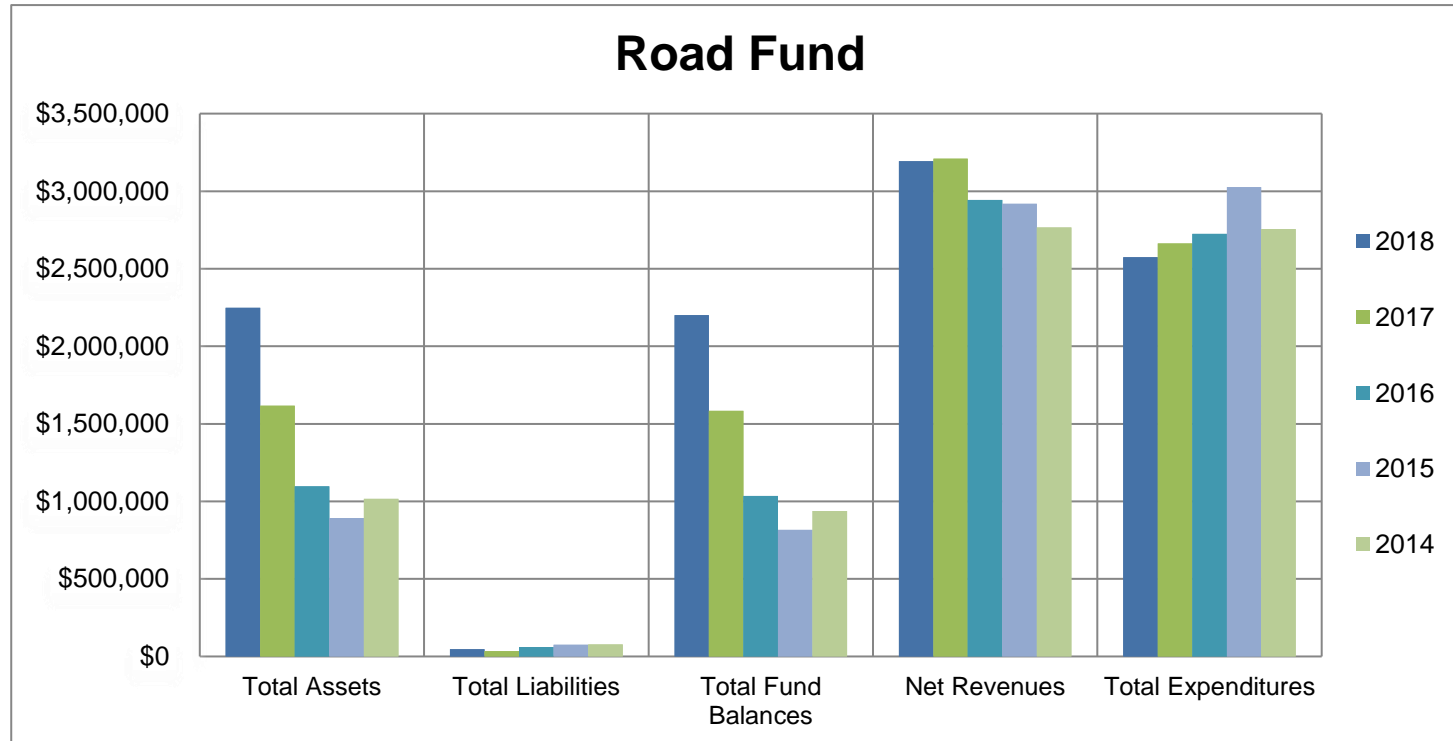
<u>General</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Assets	\$ 5,497,240	\$ 3,394,702	\$ 2,841,286	\$ 4,036,554	\$ 3,743,557
Total Liabilities	133,316	198,563	156,981	396,905	153,788
Total Fund Balances	5,363,924	3,196,139	2,684,305	3,639,649	3,589,769
Net Revenues	9,634,360	8,737,678	8,429,988	8,536,955	8,171,406
Total Expenditures	7,941,575	8,399,844	7,910,257	7,482,438	6,492,921
Total Other Financing Sources/Uses	475,000	174,000	(1,475,075)	(1,059,182)	(1,615,233)



MISSISSIPPI COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
 DECEMBER 31, 2018
 (UNAUDITED)

Schedule 3-2

<u>Road</u>	2018	2017	2016	2015	2014
Total Assets	\$ 2,248,377	\$ 1,616,773	\$ 1,096,327	\$ 892,283	\$ 1,017,041
Total Liabilities	47,275	33,413	60,979	75,559	78,173
Total Fund Balances	2,201,102	1,583,360	1,035,348	816,724	938,868
Net Revenues	3,192,007	3,209,752	2,943,664	2,918,291	2,766,321
Total Expenditures	2,574,265	2,661,740	2,725,040	3,026,495	2,755,793
Total Other Financing Sources/Uses				(13,940)	



MISSISSIPPI COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2018
 (UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Assets	\$ 13,973,710	\$ 11,651,217	\$ 9,186,071	\$ 8,488,615	\$ 9,083,202
Total Liabilities	1,735,385	2,341,812	1,988,847	5,271,624	4,503,511
Total Fund Balances	12,238,325	9,309,405	7,197,224	3,216,991	4,579,691
Net Revenues	15,607,952	14,087,585	13,688,076	13,919,151	11,183,037
Total Expenditures	8,166,913	8,001,267	10,166,701	14,188,701	19,690,154
Total Other Financing Sources/Uses	(4,512,119)	(3,961,762)	458,858	(1,088,576)	1,069,656

