

Mississippi County, Arkansas

Financial and Compliance Report

December 31, 2017

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
House Vice Chair

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, 2017, and have issued our report thereon dated January 17, 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 2017:

County Judge: Randy Carney (Deceased August 9, 2017)
Terri Brassfield (Appointed August 15, 2017)
Treasurer: Peggy Meatte
Sheriff: Dale Cook
Tax Collector: Patricia Caldwell (Deceased October 12, 2017)
Betty Hepler (Appointed November 7, 2017)
County Clerk: Janice Currie
Circuit Clerk: Leslie Mason
Assessor: Harley Bradley

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

Our procedures indicated that the offices of **Treasurer, Sheriff, Tax Collector, County Clerk, Circuit Clerk, and Assessor** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law was noted in the office of **County Judge**.

County Judge

Landfill Director William Allen, whose employment was terminated in September 2018, was charged in federal court on August 29, 2018, with honest services fraud and conspiracy. According to the criminal complaint, Allen was involved in apparent schemes to defraud the County by conspiring with a vendor located in Missouri to not charge applicable landfill fees, resulting in approximately \$19,500 of uncollected fees. This matter is pending trial.

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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
January 17, 2019
LOCO4717

MISSISSIPPI COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2017
(UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,818,990	\$ 1,571,373	\$ 9,944,204
Investments			572,716
Accounts receivable	575,712	45,400	1,134,297
TOTAL ASSETS	\$ 3,394,702	\$ 1,616,773	\$ 11,651,217
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 198,563	\$ 32,563	\$ 589,207
Settlements pending		850	1,752,605
Total Liabilities	198,563	33,413	2,341,812
Fund Balances:			
Restricted		1,583,360	9,233,843
Assigned	21,993		76,023
Unassigned	3,174,146		(461)
Total Fund Balances	3,196,139	1,583,360	9,309,405
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,394,702	\$ 1,616,773	\$ 11,651,217

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, 2017
(UNAUDITED)

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 772,304	\$ 1,975,450	\$ 254,022
Federal aid	9,377	80,452	299,973
Property taxes	3,757,538	1,160,599	655,693
Sales taxes	2,048,430		7,879,620
Fines, forfeitures, and costs	611,074		129,833
Interest	10,523	7,871	55,006
Officers' fees	119,969		267,980
Jail fees			179,797
Emergency 911 fees			505,344
Landfill fees			3,670,918
Franchise fees	6,003		
Gain/(loss) on investments			2,518
Treasurer's commission	172,182		55,556
Collector's commission	246,880		123,667
Taxes apportioned - Assessor's salary and expense	620,098		
Other	422,501	11,018	90,191
	<u>8,796,879</u>	<u>3,235,390</u>	<u>14,170,118</u>
TOTAL REVENUES			
Less: Treasurer's commission	<u>59,201</u>	<u>25,638</u>	<u>82,533</u>
NET REVENUES	<u>8,737,678</u>	<u>3,209,752</u>	<u>14,087,585</u>
EXPENDITURES			
Current:			
General government	2,917,895		1,836,145
Law enforcement	5,025,041		2,034,736
Highways and streets		2,661,740	
Public safety	35,406		596,709
Sanitation			2,757,731
Health	83,151		
Social services	338,351		444,110
Total Current	<u>8,399,844</u>	<u>2,661,740</u>	<u>7,669,431</u>
Debt Service:			
Bond principal			254,262
Bond interest and other charges			77,574
TOTAL EXPENDITURES	<u>8,399,844</u>	<u>2,661,740</u>	<u>8,001,267</u>

MISSISSIPPI COUNTY, ARKANSAS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (UNAUDITED)

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 337,834</u>	<u>\$ 548,012</u>	<u>\$ 6,086,318</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	175,000		385,982
Transfers out	(1,000)		(559,982)
Transfer of property and sales taxes to County Hospital Board			<u>(3,787,762)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>174,000</u>		<u>(3,961,762)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	511,834	548,012	2,124,556
FUND BALANCES - JANUARY 1	<u>2,684,305</u>	<u>1,035,348</u>	<u>7,184,849</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 3,196,139</u></u>	<u><u>\$ 1,583,360</u></u>	<u><u>\$ 9,309,405</u></u>

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 ROAD FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 1,004,542	\$ 772,304	\$ (232,238)	\$ 1,987,563	\$ 1,975,450	\$ (12,113)
Federal aid	11,163	9,377	(1,786)		80,452	80,452
Property taxes	2,109,433	3,757,538	1,648,105	574,027	1,160,599	586,572
Sales taxes	2,087,201	2,048,430	(38,771)			
Fines, forfeitures, and costs	504,530	611,074	106,544			
Interest	5,439	10,523	5,084	2,361	7,871	5,510
Officers' fees	113,707	119,969	6,262			
Franchise fees	16,138	6,003	(10,135)			
Treasurer's commission	364,258	172,182	(192,076)			
Collector's commission	69,611	246,880	177,269			
Taxes apportioned - Assessor's salary and expense	703,378	620,098	(83,280)			
Other	378,130	422,501	44,371	10,442	11,018	576
TOTAL REVENUES	7,367,530	8,796,879	1,429,349	2,574,393	3,235,390	660,997
Less: Treasurer's commission	123,925	59,201	64,724	34,426	25,638	8,788
NET REVENUES	7,243,605	8,737,678	1,494,073	2,539,967	3,209,752	669,785
EXPENDITURES						
Current:						
General government	2,949,376	2,917,895	31,481			
Law enforcement	3,795,813	5,025,041	(1,229,228)			
Highways and streets				2,665,169	2,661,740	3,429
Public safety	35,406	35,406				
Health	83,151	83,151				
Social services	163,850	338,351	(174,501)			
TOTAL EXPENDITURES	7,027,596	8,399,844	(1,372,248)	2,665,169	2,661,740	3,429

MISSISSIPPI 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, 2017
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 216,009	\$ 337,834	\$ 121,825	\$ (125,202)	\$ 548,012	\$ 673,214
OTHER FINANCING SOURCES (USES)						
Transfers in	317,966	175,000	(142,966)	1,777		(1,777)
Transfers out	(1,721,402)	(1,000)	1,720,402			
TOTAL OTHER FINANCING SOURCES (USES)	(1,403,436)	174,000	1,577,436	1,777		(1,777)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,187,427)	511,834	1,699,261	(123,425)	548,012	671,437
FUND BALANCES - JANUARY 1		2,684,305	2,684,305		1,035,348	1,035,348
FUND BALANCES - DECEMBER 31	\$ (1,187,427)	\$ 3,196,139	\$ 4,383,566	\$ (123,425)	\$ 1,583,360	\$ 1,706,785

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, 2017
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Collector's Automation	County Recorder's Cost	Solid Waste	Communication Facility and Equipment	Emergency 911	County Hospital	Senior Citizens	Economic Development	County Jail Sales Tax
ASSETS									
Cash and cash equivalents	\$ 266,805	\$ 187,320	\$ 466,419	\$ 7,419	\$ 272,315		\$ 35,220	\$ 6,373,053	
Investments									
Accounts receivable	7	18,681	204,637	819	164,900	\$ 306,401	25,218	255,824	\$ 149,242
TOTAL ASSETS	<u>\$ 266,812</u>	<u>\$ 206,001</u>	<u>\$ 671,056</u>	<u>\$ 8,238</u>	<u>\$ 437,215</u>	<u>\$ 306,401</u>	<u>\$ 60,438</u>	<u>\$ 6,628,877</u>	<u>\$ 149,242</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 1,726	\$ 1,388	\$ 116,726		\$ 194,183		\$ 19,462	\$ 178,334	\$ 73,219
Settlements pending	7,874					\$ 503			
Total Liabilities	<u>9,600</u>	<u>1,388</u>	<u>116,726</u>		<u>194,183</u>	<u>503</u>	<u>19,462</u>	<u>178,334</u>	<u>73,219</u>
Fund Balances:									
Restricted	257,212	204,613	554,330	\$ 8,238	243,032	305,898	40,976	6,450,543	
Assigned									76,023
Unassigned									
Total Fund Balances	<u>257,212</u>	<u>204,613</u>	<u>554,330</u>	<u>8,238</u>	<u>243,032</u>	<u>305,898</u>	<u>40,976</u>	<u>6,450,543</u>	<u>76,023</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 266,812</u>	<u>\$ 206,001</u>	<u>\$ 671,056</u>	<u>\$ 8,238</u>	<u>\$ 437,215</u>	<u>\$ 306,401</u>	<u>\$ 60,438</u>	<u>\$ 6,628,877</u>	<u>\$ 149,242</u>

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Landfill	Treasurer's Automation	Court Automation	Assessor Amendment no. 79	County Clerk's Automation	Child Support Collection Costs	Drug Control	Detention Center (Act 1188)	Boating Safety
ASSETS									
Cash and cash equivalents	\$ 133,524	\$ 47,218	\$ 30,729		\$ 9,282	\$ 504	\$ 500		
Investments	572,716								
Accounts receivable		9	1,322		686	42		\$ 4,988	\$ 25
TOTAL ASSETS	<u>\$ 706,240</u>	<u>\$ 47,227</u>	<u>\$ 32,051</u>		<u>\$ 9,968</u>	<u>\$ 546</u>	<u>\$ 500</u>	<u>\$ 4,988</u>	<u>\$ 25</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 337	\$ 735	\$ 461	\$ 1,050				
Settlements pending									
Total Liabilities		<u>337</u>	<u>735</u>	<u>461</u>	<u>1,050</u>				
Fund Balances:									
Restricted	\$ 706,240	46,890	31,316		8,918	\$ 546	\$ 500	\$ 4,988	\$ 25
Assigned									
Unassigned				(461)					
Total Fund Balances	<u>706,240</u>	<u>46,890</u>	<u>31,316</u>	<u>(461)</u>	<u>8,918</u>	<u>546</u>	<u>500</u>	<u>4,988</u>	<u>25</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 706,240</u>	<u>\$ 47,227</u>	<u>\$ 32,051</u>	<u>\$ 0</u>	<u>\$ 9,968</u>	<u>\$ 546</u>	<u>\$ 500</u>	<u>\$ 4,988</u>	<u>\$ 25</u>

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS								CAPITAL PROJECTS FUND
	Drug Court	Juvenile Fees	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Sheriff's Helicopter	Local Emergency Response Grant	Officers' Protection Equipment	Juvenile Detention Grant	Arkansas Natural Resources Commission Landfill Cell Construction
ASSETS									
Cash and cash equivalents	\$ 18,092	\$ 80,447	\$ 8,322	\$ 1,030	\$ 3,569	\$ 743	\$ 30	\$ 17,572	\$ 211,951
Investments									
Accounts receivable	223	929	20	321	2	1			
TOTAL ASSETS	<u>\$ 18,315</u>	<u>\$ 81,376</u>	<u>\$ 8,342</u>	<u>\$ 1,351</u>	<u>\$ 3,571</u>	<u>\$ 744</u>	<u>\$ 30</u>	<u>\$ 17,572</u>	<u>\$ 211,951</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable								\$ 1,586	
Settlements pending									
Total Liabilities								<u>1,586</u>	
Fund Balances:									
Restricted	\$ 18,315	\$ 81,376	\$ 8,342	\$ 1,351	\$ 3,571	\$ 744	\$ 30	15,986	\$ 211,951
Assigned									
Unassigned									
Total Fund Balances	<u>18,315</u>	<u>81,376</u>	<u>8,342</u>	<u>1,351</u>	<u>3,571</u>	<u>744</u>	<u>30</u>	<u>15,986</u>	<u>211,951</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 18,315</u>	<u>\$ 81,376</u>	<u>\$ 8,342</u>	<u>\$ 1,351</u>	<u>\$ 3,571</u>	<u>\$ 744</u>	<u>\$ 30</u>	<u>\$ 17,572</u>	<u>\$ 211,951</u>

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (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	County Judge's Accounts	Juvenile Probation Accounts	Senior Citizens' Accounts	
ASSETS										
Cash and cash equivalents	\$ 27,912	\$ 736,225	\$ 345,133	\$ 70,583	\$ 103,450	\$ 302,988	\$ 184,408	\$ 1,091	\$ 350	\$ 9,944,204
Investments										572,716
Accounts receivable										1,134,297
TOTAL ASSETS	<u>\$ 27,912</u>	<u>\$ 736,225</u>	<u>\$ 345,133</u>	<u>\$ 70,583</u>	<u>\$ 103,450</u>	<u>\$ 302,988</u>	<u>\$ 184,408</u>	<u>\$ 1,091</u>	<u>\$ 350</u>	<u>\$ 11,651,217</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable										\$ 589,207
Settlements pending		\$ 736,225	\$ 345,133	\$ 70,583	\$ 103,450	\$ 302,988	\$ 184,408	\$ 1,091	\$ 350	1,752,605
Total Liabilities		<u>736,225</u>	<u>345,133</u>	<u>70,583</u>	<u>103,450</u>	<u>302,988</u>	<u>184,408</u>	<u>1,091</u>	<u>350</u>	<u>2,341,812</u>
Fund Balances:										
Restricted	\$ 27,912									9,233,843
Assigned										76,023
Unassigned										(461)
Total Fund Balances	<u>27,912</u>									<u>9,309,405</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 27,912</u>	<u>\$ 736,225</u>	<u>\$ 345,133</u>	<u>\$ 70,583</u>	<u>\$ 103,450</u>	<u>\$ 302,988</u>	<u>\$ 184,408</u>	<u>\$ 1,091</u>	<u>\$ 350</u>	<u>\$ 11,651,217</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, 2017
 (UNAUDITED)

Schedule 2

SPECIAL REVENUE FUNDS									
	Collector's Automation	County Recorder's Cost	Solid Waste	Communication Facility and Equipment	Emergency 911	County Hospital	Senior Citizens	Economic Development	County Jail Sales Tax
REVENUES									
State aid						\$ 55,198	\$ 119,754		
Federal aid							274,127		
Property taxes						654,642			
Sales taxes						3,151,848		\$ 3,151,848	\$ 1,575,924
Fines, forfeitures, and costs									
Interest	\$ 884	\$ 808	\$ 1,065	\$ 28	\$ 1,038	239	153	38,615	75
Officers' fees		229,743		13,998					
Jail fees				60,377					119,420
Emergency 911 fees					505,344				
Landfill fees			3,670,918						
Gain/(loss) on investments									
Treasurer's commission									
Collector's commission	123,667								
Other		3,200	1,765		706		42,757	1,828	39,278
TOTAL REVENUES	124,551	233,751	3,673,748	74,403	507,088	3,861,927	436,791	3,192,291	1,734,697
Less: Treasurer's commission		1,915	29,289	115	3,662	31,616	13	8	14,394
NET REVENUES	124,551	231,836	3,644,459	74,288	503,426	3,830,311	436,778	3,192,283	1,720,303
EXPENDITURES									
Current:									
General government	123,499	196,085						1,372,372	
Law enforcement				69,532					1,773,028
Public safety					594,583				
Sanitation			2,483,687						
Social services							444,110		
Total Current	123,499	196,085	2,483,687	69,532	594,583		444,110	1,372,372	1,773,028
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	123,499	196,085	2,483,687	69,532	594,583		444,110	1,372,372	1,773,028
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,052	35,751	1,160,772	4,756	(91,157)	3,830,311	(7,332)	1,819,911	(52,725)
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out			(559,982)						
Transfer of property and sales taxes to County Hospital Board						(3,787,762)			
TOTAL OTHER FINANCING SOURCES (USES)			(559,982)			(3,787,762)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,052	35,751	600,790	4,756	(91,157)	42,549	(7,332)	1,819,911	(52,725)
FUND BALANCES - JANUARY 1	256,160	168,862	(46,460)	3,482	334,189	263,349	48,308	4,630,632	128,748
FUND BALANCES - DECEMBER 31	<u>\$ 257,212</u>	<u>\$ 204,613</u>	<u>\$ 554,330</u>	<u>\$ 8,238</u>	<u>\$ 243,032</u>	<u>\$ 305,898</u>	<u>\$ 40,976</u>	<u>\$ 6,450,543</u>	<u>\$ 76,023</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, 2017
 (UNAUDITED)

Schedule 2

SPECIAL REVENUE FUNDS									
	Landfill	Treasurer's Automation	Court Automation	Assessor Amendment no. 79	County Clerk's Automation	Child Support Collection Costs	Drug Control	Detention Center (Act 1188)	Boating Safety
REVENUES									
State aid				\$ 7,893					\$ 2,142
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 20,639					\$ 107,059	
Interest	\$ 9,567	\$ 180	104	14	\$ 54	\$ 4		6	2
Officers' fees					7,688	446			
Jail fees									
Emergency 911 fees									
Landfill fees									
Gain/(loss) on investments	2,518								
Treasurer's commission		55,556							
Collector's commission									
Other									
TOTAL REVENUES	12,085	55,736	20,743	7,907	7,742	450		107,065	2,144
Less: Treasurer's commission			170		62	3		880	18
NET REVENUES	12,085	55,736	20,573	7,907	7,680	447		106,185	2,126
EXPENDITURES									
Current:									
General government		58,914		8,543	12,597	1,325			
Law enforcement			8,553				\$ 500	106,491	
Public safety									2,126
Sanitation									
Social services									
Total Current		58,914	8,553	8,543	12,597	1,325	500	106,491	2,126
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES		58,914	8,553	8,543	12,597	1,325	500	106,491	2,126
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	12,085	(3,178)	12,020	(636)	(4,917)	(878)	(500)	(306)	
OTHER FINANCING SOURCES (USES)									
Transfers in	38,595						1,000		
Transfers out									
Transfer of property and sales taxes to County Hospital Board									
TOTAL OTHER FINANCING SOURCES (USES)	38,595						1,000		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	50,680	(3,178)	12,020	(636)	(4,917)	(878)	500	(306)	
FUND BALANCES - JANUARY 1	655,560	50,068	19,296	175	13,835	1,424		5,294	25
FUND BALANCES - DECEMBER 31	\$ 706,240	\$ 46,890	\$ 31,316	\$ (461)	\$ 8,918	\$ 546	\$ 500	\$ 4,988	\$ 25

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, 2017
 (UNAUDITED)

Schedule 2

	Drug Court	Juvenile Fees	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	Sheriff's Helicopter	Local Emergency Response Grant	Officers' Protection Equipment	Juvenile Detention Grant
REVENUES								
State aid	\$ 11,734							\$ 16,891
Federal aid								
Property taxes				\$ 1,051				
Sales taxes								
Fines, forfeitures, and costs	2,135							
Interest		\$ 336	\$ 31		\$ 20	\$ 4		
Officers' fees		14,573	1,532					
Jail fees								
Emergency 911 fees								
Landfill fees								
Gain/(loss) on investments								
Treasurer's commission								
Collector's commission								
Other		50		523	84			
TOTAL REVENUES	13,869	14,959	1,563	1,574	104	4		16,891
Less: Treasurer's commission	31	120	13	223	1			
NET REVENUES	13,838	14,839	1,550	1,351	103	4		16,891
EXPENDITURES								
Current:								
General government			54					
Law enforcement	4,119	11,235			2,755		\$ 6,614	16,600
Public safety								
Sanitation								
Social services								
Total Current	4,119	11,235	54		2,755		6,614	16,600
Debt Service:								
Bond principal								
Bond interest and other charges								
TOTAL EXPENDITURES	4,119	11,235	54		2,755		6,614	16,600
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	9,719	3,604	1,496	1,351	(2,652)	4	(6,614)	291
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
Transfer of property and sales taxes to County Hospital Board								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	9,719	3,604	1,496	1,351	(2,652)	4	(6,614)	291
FUND BALANCES - JANUARY 1	8,596	77,772	6,846		6,223	740	6,644	15,695
FUND BALANCES - DECEMBER 31	\$ 18,315	\$ 81,376	\$ 8,342	\$ 1,351	\$ 3,571	\$ 744	\$ 30	\$ 15,986

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, 2017
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUND	DEBT SERVICE FUND	Totals
	Justice Assistance Grant 2011	Local Law Enforcement Block Grant	Arkansas Historic Preservation Program	Five Star Hydraulic Grant	Arkansas Natural Resources Commission Landfill Cell Construction	Arkansas Natural Resources Commission Solid Waste Revenue Bond	
REVENUES							
State aid			\$ 40,410				\$ 254,022
Federal aid		\$ 3,500		\$ 22,346			299,973
Property taxes							655,693
Sales taxes							7,879,620
Fines, forfeitures, and costs							129,833
Interest					\$ 1,445	\$ 334	55,006
Officers' fees							267,980
Jail fees							179,797
Emergency 911 fees							505,344
Landfill fees							3,670,918
Gain/(loss) on investments							2,518
Treasurer's commission							55,556
Collector's commission							123,667
Other							90,191
TOTAL REVENUES		3,500	40,410	22,346	1,445	334	14,170,118
Less: Treasurer's commission							82,533
NET REVENUES		3,500	40,410	22,346	1,445	334	14,087,585
EXPENDITURES							
Current:							
General government			40,410	22,346			1,836,145
Law enforcement	\$ 31,809	3,500					2,034,736
Public safety							596,709
Sanitation					273,244	800	2,757,731
Social services							444,110
Total Current	31,809	3,500	40,410	22,346	273,244	800	7,669,431
Debt Service:							
Bond principal						254,262	254,262
Bond interest and other charges						77,574	77,574
TOTAL EXPENDITURES	31,809	3,500	40,410	22,346	273,244	332,636	8,001,267
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(31,809)				(271,799)	(332,302)	6,086,318
OTHER FINANCING SOURCES (USES)							
Transfers in						346,387	385,982
Transfers out							(559,982)
Transfer of property and sales taxes to County Hospital Board							(3,787,762)
TOTAL OTHER FINANCING SOURCES (USES)						346,387	(3,961,762)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(31,809)				(271,799)	14,085	2,124,556
FUND BALANCES - JANUARY 1	31,809				483,750	13,827	7,184,849
FUND BALANCES - DECEMBER 31	\$ 0	\$ 0	\$ 0	\$ 0	\$ 211,951	\$ 27,912	\$ 9,309,405

MISSISSIPPI COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2017
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commissions to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
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.
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.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
County Hospital	Mississippi County Ordinance no. 2006-12 (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.
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.

MISSISSIPPI COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017
 (UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
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.
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 Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Ark. Const. amend. 79.
County Clerk's Automation	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.
Child Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Detention Center (Act 1188)	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; 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	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.
Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Juvenile Fees	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.

MISSISSIPPI COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017
 (UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as Commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expenses of the office of Circuit Clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive 10% penalty of all taxes due on all persons and property delinquent in assessment to be used for tax assessment 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.
Juvenile Detention Grant	Established to account for grants received from the Arkansas Department of Finance and Administration to supplement juvenile detention facilities operations.
Justice Assistance Grant 2011	Established to account for grant to provide local governments with funding to support a range of program areas including law enforcement, prosecution and courts, crime prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation, technology improvement, and crime victim and witness initiatives.
Local Law Enforcement Block Grant	Established to account for Department of Justice grant to assist local law enforcement agencies.
Arkansas Historic Preservation Program	Established to account for state grant received for the modifications to properties on the Arkansas Register to become eligible for the National Register.
Five Star Hydraulic Grant	Established to account for federal grant distributed through East Arkansas Planning and Development District for economic development of the area.
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.

MISSISSIPPI COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2017
(UNAUDITED)

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

Fund Name

Fund Description

Treasurer's accounts consist primarily of fines, fees, treasurer's commission 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 fees settlement, bond, evidence, and inmate trust money.

County Clerk's accounts consist primarily of fee money to be settled with Treasurer, probate money and payroll related withholdings.

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

County Judge's account consists of landfill monies.

Juvenile Probation account consists of probation fees awaiting disposition to the County.

Senior Citizens' account consists of petty cash used for the Senior Citizens program.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(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.

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.

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 Schedules 1 and 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, 2017
(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.

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.

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.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

1. (Continued)

E. Budget Law

1. Legal Requirements

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

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund, Road Fund, and the other operating funds except for the Arkansas Natural Resources Commission Landfill Cell Construction.

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.

2. **Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2017, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Restricted for:			
General government			\$ 6,978,415
Law enforcement			164,320
Highways and streets		\$ 1,583,360	
Public safety			243,801
Sanitation			1,260,570
Health			305,898
Social services			40,976
Capital outlay			211,951
Debt service			27,912
Total Restricted		<u>1,583,360</u>	<u>9,233,843</u>
Assigned to:			
General government	\$ 2,654		
Law enforcement	<u>19,339</u>		<u>76,023</u>
Total Assigned	<u>21,993</u>		<u>76,023</u>
Unassigned	<u>3,174,146</u>		<u>(461)</u>
Totals	<u>\$ 3,196,139</u>	<u>\$ 1,583,360</u>	<u>\$ 9,309,405</u>

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

3. Commitments

Total commitments consist of the following at December 31, 2017:

	December 31, 2017
Long-term liabilities	\$ 4,318,994
Noncancellable lease	555,862
Total Commitments	\$ 4,874,856

Long-term Liabilities

Long-term liabilities at December 31, 2017, are comprised of the following:

	December 31, 2017
Estimated liability for closure and postclosure care costs	\$ 1,539,473
Compensated absences	149,783
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 Solid Waste Revenue Bond Fund.	2,629,738
Total Long-term liabilities	\$ 4,318,994

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

Landfill Closure and Postclosure Care Costs

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 \$1,539,473 as of December 31, 2017, which is based on 22.66% use of the class one landfill and 5.79% use of the class four landfill's capacity. The County will recognize the remaining estimated cost of closure and postclosure care of \$5,742,046 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2017. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The County has set aside \$706,240 in a Trust Fund as a restricted fund balance intended for closure and postclosure care costs.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

3. Commitments (Continued)

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2017:

Years Ending December 31,	Bonds
2018	\$ 331,836
2019	331,836
2020	331,836
2021	331,836
2022	331,836
2023 through 2026	1,327,344
Total Obligations	2,986,524
Less Interest	356,786
Total Principal	\$2,629,738

Noncancellable Lease

The County entered into a noncancellable lease agreement for 5 Mack Dump Trucks on May 26, 2016. Terms of the lease are monthly rental payments of \$7,805 for 36 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for 2 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 will return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar Motor Grader on December 10, 2015. Terms of the lease are monthly rental payments of \$1,575 for 36 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar Motor Grader on November 27, 2015. Terms of the lease are monthly rental payments of \$1,560 for 36 months. At the end of the lease term, the County will 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 will 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 will return the equipment.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

3. Commitments (Continued)

The County is obligated for the following amounts for the next two years.

<u>Year</u>	<u>December 31, 2017</u>
2018	\$ 330,262
2019	225,600
Total	<u>\$ 555,862</u>

Rental expense for 2017 was \$403,845.

4. Interfund Transfers

General Fund transferred \$1,000 to Other Funds in the Aggregate (Drug Control) for operational purposes. Within other Funds in the Aggregate, the Solid Waste Fund transferred \$384,982 to Landfill Trust (\$38,595) and Arkansas Natural Resources commission Solid Waste Revenue Bond (\$346,387) for solid waste operational and debt purposes. Other Funds in the Aggregate (Solid Waste) transferred \$175,000 to General Fund for reimbursement of prior year expenditures.

5. Subsequent Events

The City of Blytheville reached a final settlement with the County of \$900,000 on May 21, 2018, for Jail Fees due to the County for the period of February 1, 2013 through February 28, 2018. The total settlement of \$900,000 was deposited into the County Jail Sales Tax Fund.

On July 5, 2018, the County entered into an operating lease with Caterpillar Financial to lease a D6T Track Type Tractor. Terms of the lease are as follows: monthly installments of \$8,620 for 36 months. The County intends to return the tractor at the end of the lease.

On July 26, 2018, the County entered into an operating lease with Bancorp South Equipment Finance, to lease 5 Mack Dump Trucks. Terms of the lease are as follows: monthly installments of \$8,975 for 36 months. The County intends to return the trucks at the end of the lease.

6. Pledged Revenues

The County pledged future landfill fees to repay \$2,884,000 in Solid Waste Revenue Bonds from the Arkansas Natural Resources Commission 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 \$2,629,738 and \$356,786, respectively, payable through December 1, 2026. For 2017, principal and interest paid were \$254,262 and \$77,574, respectively.

The Solid Waste Fund received \$3,670,918 in landfill fees in 2017. Any landfill fees collected in excess of debt service payments on these bonds is permitted to be used for landfill related purposes.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

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 2017. Contact the Mississippi County/Crittenden County Regional Library at 200 North 5th Street, Blytheville, Arkansas 72135 to obtain financial statements.

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, 2017 (date of APERS Employer Allocation Report) were \$979,052.

Net Pension Liability

The County's proportionate share of the collective net pension liability at June 30, 2017 (actuarial valuation date and measurement date) was \$9,681,110.

9. Capital Assets

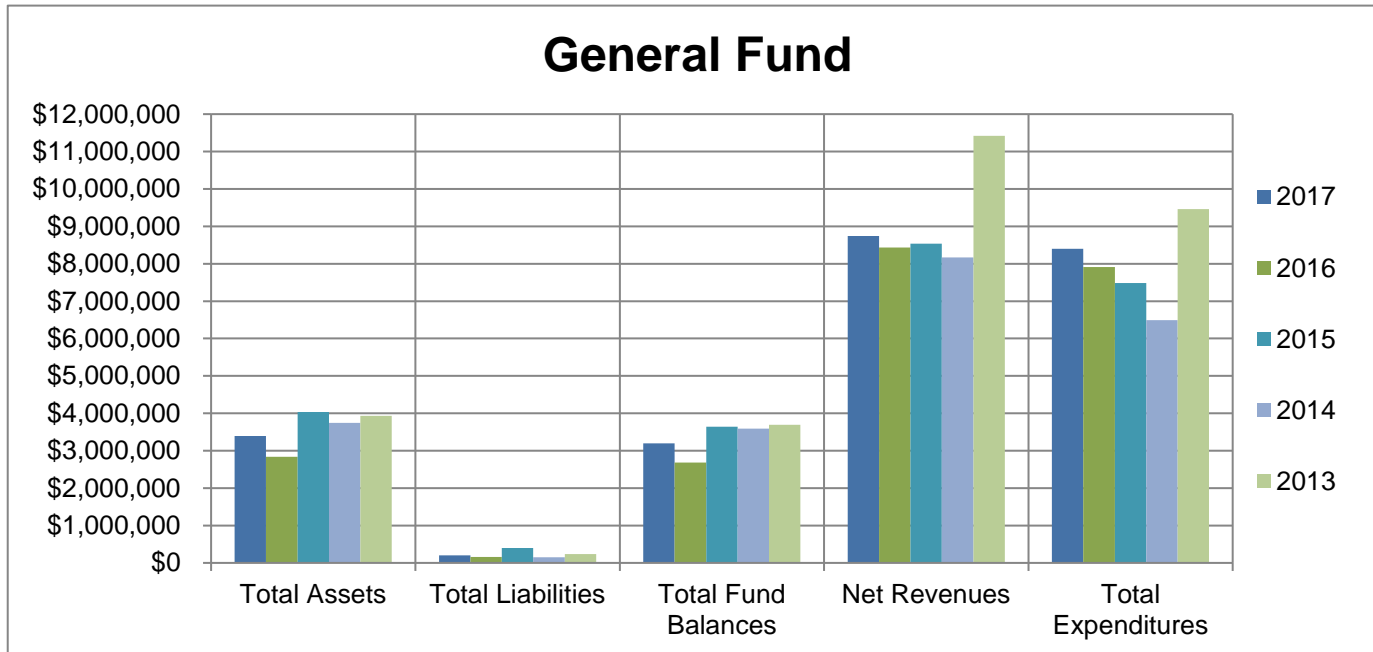
The County's capital assets records are summarized below :

	December 31, 2017
Land	\$ 3,007,018
Buildings	18,866,604
Equipment	<u>9,374,606</u>
Total	<u><u>\$31,248,228</u></u>

MISSISSIPPI COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 3-1

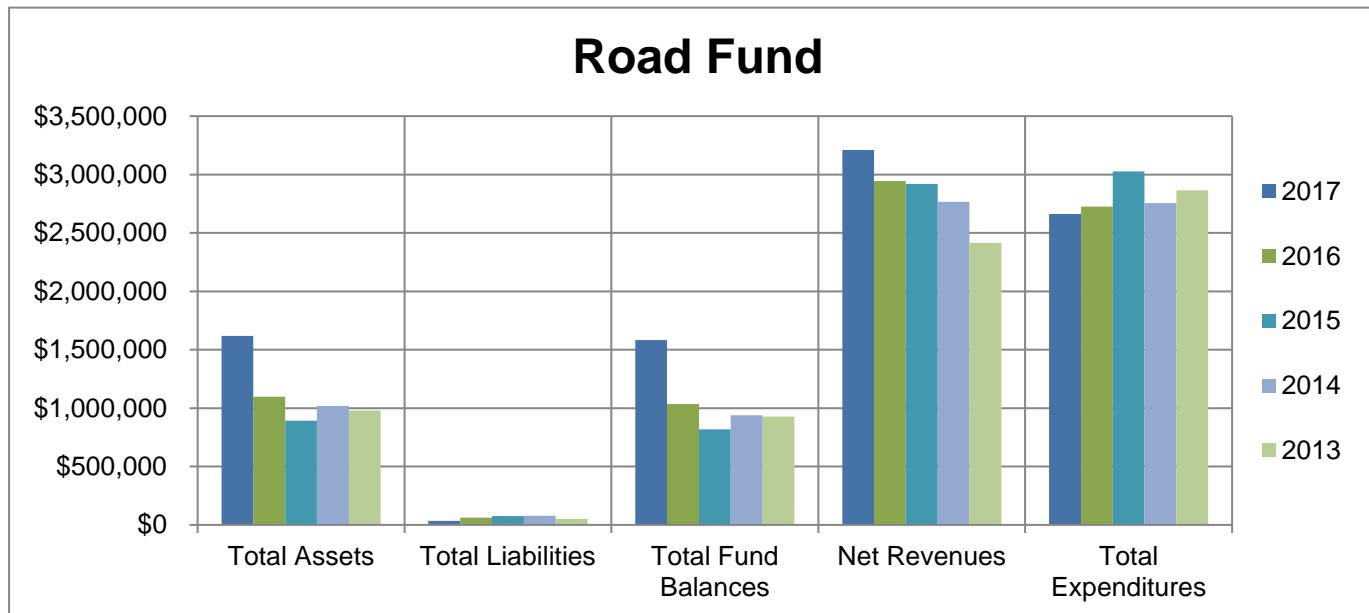
General	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 3,394,702	\$ 2,841,286	\$ 4,036,554	\$ 3,743,557	\$ 3,934,339
Total Liabilities	198,563	156,981	396,905	153,788	238,511
Total Fund Balances	3,196,139	2,684,305	3,639,649	3,589,769	3,695,828
Net Revenues	8,737,678	8,429,988	8,536,955	8,171,406	11,423,838
Total Expenditures	8,399,844	7,910,257	7,482,438	6,492,921	9,458,422
Total Other Financing Sources/Uses	174,000	(1,475,075)	(1,059,182)	(1,615,233)	(1,030,827)



MISSISSIPPI COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 3-2

<u>Road</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 1,616,773	\$ 1,096,327	\$ 892,283	\$ 1,017,041	\$ 980,335
Total Liabilities	33,413	60,979	75,559	78,173	51,995
Total Fund Balances	1,583,360	1,035,348	816,724	938,868	928,340
Net Revenues	3,209,752	2,943,664	2,918,291	2,766,321	2,414,881
Total Expenditures	2,661,740	2,725,040	3,026,495	2,755,793	2,865,994
Total Other Financing Sources/Uses			(13,940)		362,806



MISSISSIPPI COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 11,651,217	\$ 9,186,071	\$ 8,488,615	\$ 9,083,202	\$ 13,780,069
Total Liabilities	2,341,812	1,988,847	5,271,624	4,503,511	1,932,228
Total Fund Balances	9,309,405	7,197,224	3,216,991	4,579,691	11,847,841
Net Revenues	14,087,585	13,688,076	13,919,151	11,183,037	8,600,032
Total Expenditures	8,001,267	10,166,701	14,188,701	19,690,154	7,724,303
Total Other Financing Sources/Uses	(3,961,762)	458,858	(1,088,576)	1,069,656	474,145

