

Drew County, Arkansas
Regulatory Basis Financial Statements
and Other Reports

December 31, 2015

LEGISLATIVE JOINT AUDITING COMMITTEE



DREW COUNTY, ARKANSAS
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Sen. Linda Chesterfield
Senate Vice Chair



Rep. Mary Broadaway
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Rep. Sue Scott
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Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Drew County, Arkansas, as of and for the year ended December 31, 2015, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Drew County, Arkansas, as of December 31, 2015, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Drew County, Arkansas, as of December 31, 2015, the regulatory basis revenues, expenditures, and changes in net position, and the budgetary comparisons for the general fund and road fund for the year then ended in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the accompanying regulatory basis financial statements. The accompanying supplementary information and other information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

The other information has not been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 3, 2016 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas
August 3, 2016
LOCO02215

Arkansas

Sen. Jimmy Hickey, Jr.
Senate Chair
Sen. Linda Chesterfield
Senate Vice Chair



Rep. Mary Broadaway
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Rep. Sue Scott
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Drew County, Arkansas, as of and for the year ended December 31, 2015, and the related notes to the financial statements, and have issued our report thereon dated August 3, 2016. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency to be a material weakness:

2015-1 To ensure the proper safeguarding of assets, financial accounting duties relating to initiating, receipting, depositing, disbursing, and recording transactions should be distributed among appropriate employees. The County officials, as specified in the Other Issues section of this report, again did not segregate these duties to sufficiently reduce the risks of fraud or error and properly safeguard the County's assets, because of limited financial resources. We recommend that the financial accounting duties in each office be segregated among employees to the extent possible.

The County officials, as specified in the Other Issues section of this report, responded and indicated that their offices will segregate the duties relating to initiating, receipting, depositing, disbursing, and recording transactions to the extent possible with the current staffing levels.

Compliance and Other Matters

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

Entity's Response to Finding

The County's response to the finding identified in our audit is described above. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Other Issues

The following issues are not significant deficiencies, material weaknesses, or material instances of noncompliance, but are issues that are presented to assist in the efficient operation of the County.

The commentary contained in this section relates to the following officials that held office during 2015:

County Judge: Robert Akin
Treasurer: Charlie Searcy
Sheriff: Hershell "Mark" Gober
Tax Collector: Tonya Loveless
County Clerk: Lyna Gullede
Circuit Clerk: Beverly Burks
Assessor: Beth Davis

Our audit procedures indicated that the above offices were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with accepted accounting practices was noted in the office of **Sheriff**.

Sheriff

The balance in the Fee account of \$11,781 was not identified with receipts issued and not yet settled with the appropriate agencies. A similar finding was issued in the prior report.

Purpose of this Report

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

ARKANSAS LEGISLATIVE AUDIT



Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
August 3, 2016

DREW COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2015

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 1,953,150	\$ 5,491,704	\$ 6,862,718
Accounts receivable	279,847	157,609	244,206
Interfund receivables	5,400	12,151	
TOTAL ASSETS	\$ 2,238,397	\$ 5,661,464	\$ 7,106,924
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 160,559	\$ 89,134	\$ 61,656
Interfund payables			17,551
Settlements pending	250,699		614,086
Total Liabilities	411,258	89,134	693,293
Fund Balances:			
Restricted		5,572,330	6,430,334
Assigned	1,503		
Unassigned	1,825,636		(16,703)
Total Fund Balances	1,827,139	5,572,330	6,413,631
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,238,397	\$ 5,661,464	\$ 7,106,924

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

DREW COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 522,428	\$ 1,389,307	\$ 209,549
Federal aid	260		4,200
Property taxes	366,837	147,089	563,066
Sales taxes	1,840,368	2,004,003	1,336,002
Fines, forfeitures, and costs	217,404		127,584
Interest	3,160	9,944	11,656
Officers' fees	23,229		135,728
Sanitation fees			627,283
911 fees			187,483
Jail fees	139,286		53,222
Rent	116,172		
Library reimbursement	126,267		
Treasurer's commission	63,818		19,115
Collector's commission	125,982		37,874
Taxes apportioned - Assessor's salary and expense	244,522		
Other	71,039	142,049	76,678
	<u>3,860,772</u>	<u>3,692,392</u>	<u>3,389,440</u>
TOTAL REVENUES			
Less: Treasurer's commission	26,160	69,172	35,421
	<u>3,834,612</u>	<u>3,623,220</u>	<u>3,354,019</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	1,170,240		350,214
Law enforcement	1,695,387		184,291
Highways and streets		3,832,134	
Public safety	247,301		202,720
Sanitation			612,464
Health	34,841		448,671
Recreation and culture	6,201		240,948
Social services	134,834		
Total Current	<u>3,288,804</u>	<u>3,832,134</u>	<u>2,039,308</u>
Debt Service:			
Bond principal			1,510,000
Bond interest and other charges			199,093
Notes payable - principal			52,902
Notes payable - interest			3,382
	<u>3,288,804</u>	<u>3,832,134</u>	<u>3,804,685</u>
TOTAL EXPENDITURES			

DREW COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2015

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 545,808</u>	<u>\$ (208,914)</u>	<u>\$ (450,666)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	12,390		140,517
Transfers out	(95,156)		(57,751)
Property taxes remitted to hospital			(81,944)
Refund to grantor			(10,460)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(82,766)</u>		<u>(9,638)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	463,042	(208,914)	(460,304)
FUND BALANCES - JANUARY 1	<u>1,364,097</u>	<u>5,781,244</u>	<u>6,873,935</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 1,827,139</u></u>	<u><u>\$ 5,572,330</u></u>	<u><u>\$ 6,413,631</u></u>

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

DREW 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, 2015

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 303,557	\$ 522,428	\$ 218,871	\$ 1,193,000	\$ 1,389,307	\$ 196,307
Federal aid		260	260			
Property taxes	321,174	366,837	45,663	117,000	147,089	30,089
Sales taxes	150,000	1,840,368	1,690,368	1,500,000	2,004,003	504,003
Fines, forfeitures, and costs	216,817	217,404	587			
Interest	250	3,160	2,910	4,300	9,944	5,644
Officers' fees	24,300	23,229	(1,071)			
Jail fees	136,122	139,286	3,164			
Rent		116,172	116,172			
Library reimbursement		126,267	126,267			
Treasurer's commission	54,132	63,818	9,686			
Collector's commission	109,513	125,982	16,469			
Taxes apportioned - Assessor's salary and expense	314,881	244,522	(70,359)			
Other	330,269	71,039	(259,230)	18,000	142,049	124,049
TOTAL REVENUES	1,961,015	3,860,772	1,899,757	2,832,300	3,692,392	860,092
Less: Treasurer's commission		26,160	(26,160)		69,172	(69,172)
NET REVENUES	1,961,015	3,834,612	1,873,597	2,832,300	3,623,220	790,920
EXPENDITURES						
Current:						
General government	1,439,424	1,170,240	269,184			
Law enforcement	2,129,975	1,695,387	434,588			
Highways and streets				5,151,236	3,832,134	1,319,102
Public safety	248,896	247,301	1,595			
Health	40,568	34,841	5,727			
Recreation and culture	9,222	6,201	3,021			
Social services	140,478	134,834	5,644			
TOTAL EXPENDITURES	4,008,563	3,288,804	719,759	5,151,236	3,832,134	1,319,102

DREW 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, 2015

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (2,047,548)	\$ 545,808	\$ 2,593,356	\$ (2,318,936)	\$ (208,914)	\$ 2,110,022
OTHER FINANCING SOURCES (USES)						
Transfers in	1,300,000	12,390	(1,287,610)			
Transfers out	(150,000)	(95,156)	54,844			
TOTAL OTHER FINANCING SOURCES (USES)	1,150,000	(82,766)	(1,232,766)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(897,548)	463,042	1,360,590	(2,318,936)	(208,914)	2,110,022
FUND BALANCES - JANUARY 1	387,581	1,364,097	976,516	1,804,910	5,781,244	3,976,334
FUND BALANCES - DECEMBER 31	\$ (509,967)	\$ 1,827,139	\$ 2,337,106	\$ (514,026)	\$ 5,572,330	\$ 6,086,356

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

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

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

B. Basis of Presentation - Regulatory 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. The General Fund heading as it appears in the financial statements includes the following accounts: General, One-fourth Cent Special Sales Tax, One-Cent Sales Tax, One-Cent Sales Tax Investment, Bullet Proof Vest Grant, Drug Buy, Circuit Clerk Jury Account, and Courthouse Grant.

Road Fund - The Road Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Road Fund accounts for and reports proceeds of state highway turnback, property taxes, and sales 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 following Special Revenue Funds are reported with other funds in the aggregate: Solid Waste Management, Treasurer's Automation, Circuit Court Automation, Drug Control, Collector's Automation, Boating Safety and Enforcement, County Clerk's Cost, Courthouse Security Grant, Communication Facility and Equipment, Support Collections Costs, County Recorder's Cost, Circuit Court Juvenile Division, Justice Assistance (JAG) Grant, Drug Court Program, Alcohol Drug Abuse Management (ADAM) Grant, Assessor's Amendment no. 79, Emergency 911, Public Defender, Game and Fish Education, District Court Cost, Automated Records System Grant, Reappraisal Cost, Veteran's Memorial Maintenance, Emergency Management Preparedness, Jail Maintenance, Local Law Enforcement Grant, Voting System Grant, Hospital Maintenance, and County Public Library.

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 following Capital Projects Funds are reported with other funds in the aggregate: Hospital Construction, Law Enforcement Terrorism Prevention, and Library Construction.

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 following Debt Service Funds are reported with other funds in the aggregate: 2013 Series Hospital Bonds and Library Sales and Use Tax Bond 2011 Series.

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation - Regulatory Fund Accounting (Continued)

Other Funds in the Aggregate (Continued)

Agency Funds - Agency Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The following Agency Funds are reported with other funds in the aggregate: Treasurer [Prosecuting Attorney 10th Judicial District, Drew Memorial Hospital Reserve, Treasurer's Commission, County Law Library, Game and Fish Commission, Common School, and Electronic Federal Tax Payment System (EFTPS)], Collector (Current and Delinquent Taxes), Sheriff (Fee and Bond and Fine), County Clerk (Fee), Circuit Clerk (Fee and Trust), and County Judge (Sanitation).

C. 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.

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, solid waste collections, Treasurer's commission, property taxes, money held in trust for the hospital and individuals, and fees 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.

E. Property Taxes

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

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

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

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

There were no committed fund balances at year-end.

NOTE 2: Cash Deposits with Financial Institutions

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 1,885,371	\$ 2,013,226
Collateralized:		
Collateral held by the County's agent, pledging bank, or pledging bank's trust department or agent in the County's name	7,282,855	7,655,920
Total Deposits	\$ 9,168,226	\$ 9,669,146

The above total deposits do not include cash on hand of \$2,593 or cash held with trustee of \$ 5,136,753.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2015, none of the County's bank balances were exposed to custodial credit risk.

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

State law generally requires that county funds be deposited in federally insured banks located in the State of Arkansas. The county deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of no longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.

NOTE 4: Accounts Receivable

The accounts receivable balance at December 31, 2015, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Property taxes			\$ 9,313
Sales taxes	\$ 144,647	\$ 157,507	105,005
Fines, forfeitures, and costs	11,783		6,771
Officer's fees	2,237		9,338
Sanitation fees			49,700
911 fees			4,459
Jail fees	22,593		1,637
Treasurer's commission	97,954		19,115
Collector's commission			37,874
Other	633	102	994
Totals	<u>\$ 279,847</u>	<u>\$ 157,609</u>	<u>\$ 244,206</u>

NOTE 5: Accounts Payable

The accounts payable balance at December 31, 2015, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 160,559</u>	<u>\$ 89,134</u>	<u>\$ 61,656</u>

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2015	
	Interfund Receivables	Interfund Payables
General	\$ 5,400	
Road	12,151	
Other Funds in the Aggregate:		
Special Revenue:		
Emergency Management Preparedness		\$ 17,551
Totals	<u>\$ 17,551</u>	<u>\$ 17,551</u>

Interfund receivables and payables consist of errors depositing restricted revenues and interfund loans. The balances are expected to be repaid during 2016.

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 7: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2015, the legal debt limit for bonded debt was \$19,830,755. The bonded debt, net of amounts available in the Debt Service Fund for bond retirement, was \$4,362,042, leaving a legal debt margin of \$15,468,713. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2015, the legal debt limit for short-term financing obligations was \$5,404,918. The amount of short-term financing obligations was \$82,421, leaving a legal debt margin of \$5,322,497. There were no short-term financing obligations.

NOTE 8: Details of Fund Balance Classifications

Fund balance classifications at December 31, 2015, 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			\$ 170,159
Law enforcement			409,474
Highways and streets		\$ 5,572,330	
Public safety			210,059
Debt service			1,915,677
Capital outlay			3,335,406
Recreation and culture			324,794
Sanitation			64,765
Total Restricted		<u>5,572,330</u>	<u>6,430,334</u>
Assigned to:			
Law enforcement	<u>\$ 1,503</u>		
Unassigned	<u>1,825,636</u>		<u>(16,703)</u>
Totals	<u>\$ 1,827,139</u>	<u>\$ 5,572,330</u>	<u>\$ 6,413,631</u>

NOTE 9: Deficit Fund Balance

The following fund has a deficit fund balance as of December 31, 2015:

	<u>December 31, 2015</u>
<u>Other Funds in the Aggregate</u>	
Special Revenue Funds:	
Emergency Management Preparedness	<u>\$ (16,703)</u>

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 10: Commitments

Total commitments consist of the following at December 31, 2015:

	December 31, 2015
Long-term liabilities	\$ 6,257,143
Reappraisal contract	110,800
Total Commitments	\$ 6,367,943

Long-term Liabilities

Long-term liabilities at December 31, 2015, are comprised of the following:

	December 31, 2015
2013 Refunding and Improvement General Obligation Bonds, due in annual installments of \$110,000 - \$265,000 plus interest through February 1, 2043; interest of 2.00% - 3.75%. Payments are to be made from the 2013 Series Hospital Bonds Debt Service Fund.	\$ 4,820,000
2011 Sales and Use Tax Bonds, due in annual installments of \$655,000 - \$850,000 plus interest through May 1, 2018; interest of 2.00% - 2.40%. Payments are to be made from the Library Sales and Use Tax Bond 2011 Series Debt Service Fund.	1,045,000
2012 Note payable with Parkway Bank on the purchase of two refuse trucks in the amount of \$260,744, monthly installments of \$4,690 for 60 months and interest rate at 3%. Payments are to be made from the Solid Waste Management Fund.	82,421
Compensated Absences	33,038
Estimated Liability for Landfill Closure and Postclosure Care Costs	276,684
Total Long-term liabilities	\$ 6,257,143

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

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2015:

Years Ending December 31,	Bonds	Notes	Total
2016	\$ 1,098,235	\$ 56,283	\$ 1,154,518
2017	499,675	28,142	527,817
2018	269,623		269,623
2019	267,222		267,222
2020	269,679		269,679
2021 through 2025	1,343,967		1,343,967
2026 through 2030	1,342,819		1,342,819
2031 through 2035	1,343,481		1,343,481
2036 through 2040	1,342,453		1,342,453
2041 through 2043	807,322		807,322
Total Obligations	8,584,476	84,425	8,668,901
Less Interest	2,719,476	2,004	2,721,480
Total Principal	\$ 5,865,000	\$ 82,421	\$ 5,947,421

DREW COUNTY, ARKANSAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2015

NOTE 10: Commitments (Continued)

Landfill Closure and Postclosure Care Costs

Drew County is the owner of permit #0282-S4 to operate a Class IV solid waste landfill. State and federal regulations require that Drew County place final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, a portion of these closure and postclosure care costs are being recognized as a commitment each year based on landfill capacity as of the balance sheet date. The estimated liability for landfill closure and postclosure care costs has a balance of \$276,684 as of December 31, 2015, and represents the cumulative amount reported to date based on 93% usage of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$20,187 as the remaining capacity is filled. At the present utilization rate, the landfill site life is estimated to exhaust in four years from the balance sheet date.

Estimated costs are based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2015. However, the actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County is required by Ark. Code Ann. §§ 8-6-1602 – 8-6-1603 to establish financial assurance for the cost of closure and postclosure care in compliance with state regulations and the solid waste permit. The County is in compliance with these requirements.

Reappraisal Contract

The County entered into a contract, dated December 16, 2011, with CAMA Technology for reappraisal services. Terms of the contract require \$554,000 to be paid in monthly payments of \$9,233 for 60 months. The County is obligated for the following amount for the next year.

<u>Year</u>	<u>December 31, 2015</u>
2016	<u>\$ 110,800</u>

Reappraisal expense for 2015 was \$110,800.

NOTE 11: Interfund Transfers

The General Fund transferred \$95,156 to the Other Funds in the Aggregate for the reimbursement of expenditures. The Other Funds in the Aggregate transferred \$12,390 to the General Fund to close a fund. Within Other Funds in the Aggregate, the Capital Projects Library Construction Fund transferred \$42,759 to the Debt Service Library Sales and Use Tax Bond 2011 Series Fund to close a bank account and the Debt Service 2013 Series Hospital Bonds Fund transferred \$2,602 to the Capital Projects Hospital Construction Fund to close a bank account.

NOTE 12: Pledged Revenues

A. 2013 Series Hospital Bonds

The County pledged future 1.8 mill property tax levies to repay \$5,040,000 in Refunding and Improvement General Obligation Bonds that were issued in 2013 to finance improvements to Drew Memorial Hospital and refunded Series 2004 Bonds. Total principal and interest remaining on the bonds are \$4,820,000 and \$2,702,811, respectively, payable through 2043. For 2015, principal and interest paid were \$110,000 and \$158,923, respectively.

The Debt Service Fund received \$316,724 in property taxes for the pledged 1.8 mill tax in 2015.

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 12: Pledged Revenues (Continued)

B. Library Sales and Use Tax Bond 2011 Series

The County pledged future .50% sales and use taxes to repay \$5,500,000 in Sales and Use Tax Construction Bonds that were issued in 2011 to finance construction of a new library. Total principal and interest remaining on the bonds are \$1,045,000 and \$16,665, respectively, payable through 2017. For 2015, principal and interest paid were \$1,400,000 and \$37,570, respectively.

The Sales and Use Tax Bond 2011 Series Debt Service Fund received \$1,336,002 in sales taxes in 2015.

Any sales taxes collected in excess of debt service payments on these bonds shall be paid to Drew County.

NOTE 13: Joint Venture: Southeast Arkansas Regional Library

Bradley, Chicot, Desha, Drew, and Lincoln Counties entered into an agreement on March 23, 1994, in accordance with Ark. Code Ann. § 13-2-401 to establish the Southeast Arkansas Regional Library. The agreement states that the Regional Library Board shall employ a regional director to serve for such time as the Board may prescribe and to be paid from the regional budget. County and branch library employees are to be recommended by county library boards and to be employed with the approval of the Regional Board. Their salaries are to be paid from regional funds. The parties agreed that the regional budget shall pay utility and janitorial costs. Each county library shall contribute their respective property tax funds for the operation of the Southeast Arkansas Regional Library System. Payments shall be made in irregular installments as required by the expenditures of the Southeast Arkansas Regional Library. The County Library paid \$202,639 for expenditures in 2015. The Southeast Arkansas Regional Library reimbursed the County \$126,267 for employee benefits. Separate financial statements of the Southeast Arkansas Regional Library are available at the Regional Library in Monticello.

NOTE 14: Jointly Governed Organizations

Southeast Arkansas Regional Solid Waste Management District

Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, and Lincoln Counties entered into an agreement in 1991 to form the Southeast Arkansas Regional Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-703. The County did not provide any funding for the Southeast Arkansas Regional Solid Waste Management District. Separate financial statements may be obtained at: P. O. Box 6806, Pine Bluff, AR 71611.

Tenth Judicial District Drug Task Force

The Sheriff's Departments of Ashley, Bradley, Chicot, Desha, and Drew Counties entered into an agreement to establish the Tenth Judicial District Drug Task Force. Funding was provided through a Drug Enforcement Program grant applied for by the Prosecuting Attorney of the Tenth Judicial District. No contributions or payments for expenditures were made to the Tenth Judicial District Drug Task Force by the County. The 2015 financial statements of the Tenth Judicial District Drug Task Force have not been audited.

Southeast Arkansas Regional Intermodal Facilities Authority

Drew and Bradley Counties and the Cities of Monticello and Warren entered into an agreement on May 14, 1998 to establish the Southeast Arkansas Regional Intermodal Facilities Authority pursuant to Ark. Code Ann. §§ 14-143-101 – 14-143-129. The Southeast Arkansas Regional Intermodal Facilities Authority shall be governed by a board of directors consisting of 12 members appointed by the participants' Mayors and County Judges. Each participating City and County will appoint three board members. No contributions or payments for expenditures were made to the Southeast Arkansas Regional Intermodal Facilities Authority. Separate financial statements may be obtained at: 101 South Myrtle, Warren, AR 71671.

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 15: Risk Management

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

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

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

The County participates in the Arkansas Public Entities Risk Management Association (APERMA) public entity risk pool for coverage in the following areas:

Building and Contents Program - This program is a blanket policy with coverage up to \$100,000,000 for any one loss with a \$500 deductible. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county property.

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment for in-state claims is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident (\$100,000 respectively for out-of-state claims). The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.
- B. Physical Damage - This program covers vehicles and mobile equipment which are the property of the participating county. Property is valued at the cost to repair or replace the property after deduction for depreciation. Loss amounts will be reduced by the deductible amount of \$1,000 for Sheriff's Department vehicles and \$500 for all other covered vehicles and mobile equipment. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

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

The County also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$250,000 or the amount of the bond. Premiums for coverage are determined by the State Risk Manager and approved by the Board. These premiums are paid by the State Treasurer from funds withheld from the County Aid Fund. There is a \$2,500 deductible per occurrence.

DREW COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015

NOTE 16: 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 December 31, 2015, were \$305,077.

Net Pension Liability

The County's proportionate share of the collective net pension liability at June 30, 2015 (actuarial valuation date and measurement date) was \$2,583,602.

NOTE 17: Assignment and Lease of Drew County Memorial Hospital Facilities

Drew County Ordinance no. 2012-9 (July 16, 2012) authorized the assignment and lease of the Drew County Memorial Hospital to Drew Memorial Hospital, Inc., an Arkansas nonprofit corporation. On September 6, 2012, Drew Memorial Hospital, Inc., signed a lease agreement with the County to lease the facilities for: (a) monthly rental equal to all amounts required to be paid by the Lessor to the Lenders pursuant to the terms of the Lessor's Series 2010A, 2010B, 2010C Bonds, and (b) the Lessee shall pay all accruing obligations pursuant to each of the contracts, leases, and rental agreements assumed. Pursuant to the service agreement, the County has transferred and will transfer to Drew Memorial Hospital, Inc., certain investments and will annually remit to Drew Memorial Hospital, Inc., the proceeds from the dedicated property tax. The lease agreement stipulates that Drew Memorial Hospital, Inc., shall lease the Hospital real estate and equipment for 10 years and at the end of each subsequent 10 year renewal term, the lease shall automatically renew upon the same terms and conditions, unless given written notice at least six months prior to the expiration of any such lease. Drew Memorial Hospital, Inc., assumes all rights and responsibilities for the operation of the Hospital and related ancillary facilities.

DREW COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2015

Schedule 1

	SPECIAL REVENUE FUNDS							
	Solid Waste Management	Treasurer's Automation	Circuit Court Automation	Drug Control	Collector's Automation	Boating Safety and Enforcement	County Clerk's Cost	Communication Facility and Equipment
ASSETS								
Cash and cash equivalents	\$ 43,544	\$ 42,872	\$ 14,146	\$ 13,190	\$ 24,187	\$ 10,645	\$ 3,706	\$ 74,050
Accounts receivable	49,702	19,115	145		37,874		112	992
TOTAL ASSETS	<u>\$ 93,246</u>	<u>\$ 61,987</u>	<u>\$ 14,291</u>	<u>\$ 13,190</u>	<u>\$ 62,061</u>	<u>\$ 10,645</u>	<u>\$ 3,818</u>	<u>\$ 75,042</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 28,481				\$ 1,176			
Interfund payables								
Settlements pending								
Total Liabilities	<u>28,481</u>				<u>1,176</u>			
Fund Balances:								
Restricted	64,765	\$ 61,987	\$ 14,291	\$ 13,190	60,885	\$ 10,645	\$ 3,818	\$ 75,042
Unassigned								
Total Fund Balances	<u>64,765</u>	<u>61,987</u>	<u>14,291</u>	<u>13,190</u>	<u>60,885</u>	<u>10,645</u>	<u>3,818</u>	<u>75,042</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 93,246</u>	<u>\$ 61,987</u>	<u>\$ 14,291</u>	<u>\$ 13,190</u>	<u>\$ 62,061</u>	<u>\$ 10,645</u>	<u>\$ 3,818</u>	<u>\$ 75,042</u>

DREW COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2015

Schedule 1

	SPECIAL REVENUE FUNDS							
	Support Collections Costs	County Recorder's Cost	Circuit Court Juvenile Division	Justice Assistance (JAG) Grant	Drug Court Program	Alcohol Drug Abuse Management (ADAM) Grant	Assessor's Amendment no. 79	Emergency 911
ASSETS								
Cash and cash equivalents	\$ 6,456	\$ 15,164	\$ 25,617	\$ 2	\$ 2,601	\$ 4,394	\$ 7,550	\$ 207,196
Accounts receivable	139	8,178	909					4,459
TOTAL ASSETS	<u>\$ 6,595</u>	<u>\$ 23,342</u>	<u>\$ 26,526</u>	<u>\$ 2</u>	<u>\$ 2,601</u>	<u>\$ 4,394</u>	<u>\$ 7,550</u>	<u>\$ 211,655</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 5,113						\$ 12,241
Interfund payables								
Settlements pending								
Total Liabilities		<u>5,113</u>						<u>12,241</u>
Fund Balances:								
Restricted	\$ 6,595	18,229	\$ 26,526	\$ 2	\$ 2,601	\$ 4,394	\$ 7,550	199,414
Unassigned								
Total Fund Balances	<u>6,595</u>	<u>18,229</u>	<u>26,526</u>	<u>2</u>	<u>2,601</u>	<u>4,394</u>	<u>7,550</u>	<u>199,414</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,595</u>	<u>\$ 23,342</u>	<u>\$ 26,526</u>	<u>\$ 2</u>	<u>\$ 2,601</u>	<u>\$ 4,394</u>	<u>\$ 7,550</u>	<u>\$ 211,655</u>

DREW COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2015

Schedule 1

SPECIAL REVENUE FUNDS

	Public Defender	District Court Cost	Automated Records System Grant	Reappraisal Cost	Veteran's Memorial Maintenance	Emergency Management Preparedness	Jail Maintenance
ASSETS							
Cash and cash equivalents	\$ 63,549	\$ 42,814	\$ 18	\$ 18,499	\$ 1,799	\$ 1,526	\$ 163,465
Accounts receivable	3,460	992					3,811
TOTAL ASSETS	<u>\$ 67,009</u>	<u>\$ 43,806</u>	<u>\$ 18</u>	<u>\$ 18,499</u>	<u>\$ 1,799</u>	<u>\$ 1,526</u>	<u>\$ 167,276</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 4,172			\$ 9,233		\$ 678	\$ 562
Interfund payables						17,551	
Settlements pending							
Total Liabilities	<u>4,172</u>			<u>9,233</u>		<u>18,229</u>	<u>562</u>
Fund Balances:							
Restricted	62,837	\$ 43,806	\$ 18	9,266	\$ 1,799		166,714
Unassigned						(16,703)	
Total Fund Balances	<u>62,837</u>	<u>43,806</u>	<u>18</u>	<u>9,266</u>	<u>1,799</u>	<u>(16,703)</u>	<u>166,714</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 67,009</u>	<u>\$ 43,806</u>	<u>\$ 18</u>	<u>\$ 18,499</u>	<u>\$ 1,799</u>	<u>\$ 1,526</u>	<u>\$ 167,276</u>

DREW COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2015

Schedule 1

	<u>SPECIAL REVENUE FUNDS</u>			<u>CAPITAL PROJECTS FUNDS</u>		<u>DEBT SERVICE FUNDS</u>	
	Local Law Enforcement Grant	Voting System Grant	County Public Library	Hospital Construction	Library Construction	2013 Series Hospital Bonds	Library Sales and Use Tax Bond 2011 Series
ASSETS							
Cash and cash equivalents	\$ 71	\$ 13	\$ 324,793	\$ 3,335,394	\$ 12	\$ 448,645	\$ 1,352,714
Accounts receivable						9,313	105,005
TOTAL ASSETS	<u>71</u>	<u>13</u>	<u>324,793</u>	<u>3,335,394</u>	<u>12</u>	<u>457,958</u>	<u>1,457,719</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							
Interfund payables							
Settlements pending							
Total Liabilities							
Fund Balances:							
Restricted	\$ 71	\$ 13	\$ 324,793	\$ 3,335,394	\$ 12	\$ 457,958	\$ 1,457,719
Unassigned							
Total Fund Balances	<u>71</u>	<u>13</u>	<u>324,793</u>	<u>3,335,394</u>	<u>12</u>	<u>457,958</u>	<u>1,457,719</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>71</u>	<u>13</u>	<u>324,793</u>	<u>3,335,394</u>	<u>12</u>	<u>457,958</u>	<u>1,457,719</u>

DREW COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2015

Schedule 1

AGENCY FUNDS							
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Judge's Accounts	Totals
ASSETS							
Cash and cash equivalents	\$ 509,923	\$ 1,783	\$ 32,993	\$ 1,205	\$ 25,356	\$ 42,826	\$ 6,862,718
Accounts receivable							244,206
TOTAL ASSETS	<u>\$ 509,923</u>	<u>\$ 1,783</u>	<u>\$ 32,993</u>	<u>\$ 1,205</u>	<u>\$ 25,356</u>	<u>\$ 42,826</u>	<u>\$ 7,106,924</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 61,656
Interfund payables							17,551
Settlements pending	\$ 509,923	\$ 1,783	\$ 32,993	\$ 1,205	\$ 25,356	\$ 42,826	614,086
Total Liabilities	<u>509,923</u>	<u>1,783</u>	<u>32,993</u>	<u>1,205</u>	<u>25,356</u>	<u>42,826</u>	<u>693,293</u>
Fund Balances:							
Restricted							6,430,334
Unassigned							(16,703)
Total Fund Balances							<u>6,413,631</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 509,923</u>	<u>\$ 1,783</u>	<u>\$ 32,993</u>	<u>\$ 1,205</u>	<u>\$ 25,356</u>	<u>\$ 42,826</u>	<u>\$ 7,106,924</u>

DREW 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, 2015

Schedule 2

	SPECIAL REVENUE FUNDS								
	Solid Waste Management	Treasurer's Automation	Circuit Court Automation	Drug Control	Collector's Automation	Boating Safety and Enforcement	County Clerk's Cost	Courthouse Security Grant	Communication Facility and Equipment
REVENUES									
State aid						\$ 1,774			
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 2,280	\$ 135					
Interest	\$ 70	\$ 85	29	39	\$ 64	23	\$ 6	\$ 1	\$ 159
Officers' fees							2,351		5,981
Sanitation fees	627,283								
911 fees									
Jail fees									
Treasurer's commission		19,115							
Collector's commission					37,874				
Other	13,872		4,439	7	161	20	30		6,236
TOTAL REVENUES	641,225	19,200	6,748	181	38,099	1,817	2,387	1	12,376
Less: Treasurer's commission	12,342		43	3		35	49		126
NET REVENUES	628,883	19,200	6,705	178	38,099	1,782	2,338	1	12,250
EXPENDITURES									
Current:									
General government		7,016			52,030				
Law enforcement				6,389				483	9,312
Public safety						364			
Sanitation	612,464								
Health									
Recreation and culture									
Total Current	612,464	7,016		6,389	52,030	364		483	9,312
Debt Service:									
Bond principal									
Bond interest and other charges									
Notes payable - principal	52,902								
Notes payable - interest	3,382								
TOTAL EXPENDITURES	668,748	7,016		6,389	52,030	364		483	9,312
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(39,865)	12,184	6,705	(6,211)	(13,931)	1,418	2,338	(482)	2,938
OTHER FINANCING SOURCES (USES)									
Transfers in	65,000								
Transfers out								(12,390)	
Property taxes remitted to hospital									
Refund to grantor									
TOTAL OTHER FINANCING SOURCES (USES)	65,000							(12,390)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	25,135	12,184	6,705	(6,211)	(13,931)	1,418	2,338	(12,872)	2,938
FUND BALANCES - JANUARY 1	39,630	49,803	7,586	19,401	74,816	9,227	1,480	12,872	72,104
FUND BALANCES - DECEMBER 31	\$ 64,765	\$ 61,987	\$ 14,291	\$ 13,190	\$ 60,885	\$ 10,645	\$ 3,818	\$ 0	\$ 75,042

DREW 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, 2015

Schedule 2

	SPECIAL REVENUE FUNDS								
	Support Collections Costs	County Recorder's Cost	Circuit Court Juvenile Division	Justice Assistance (JAG) Grant	Drug Court Program	Alcohol Drug Abuse Management (ADAM) Grant	Assessor's Amendment no. 79	Emergency 911	Public Defender
REVENUES									
State aid							\$ 2,050		
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs	\$ 1,570								\$ 108,893
Interest	14	\$ 110	\$ 53		\$ 5	\$ 10	17	\$ 401	79
Officers' fees		113,105	9,955		490				3,846
Sanitation fees									
911 fees								187,483	
Jail fees									
Treasurer's commission									
Collector's commission									
Other		1,271	74				21	3,289	20,568
TOTAL REVENUES	1,584	114,486	10,082		495	10	2,088	191,173	133,386
Less: Treasurer's commission		2,279	197				41	3,747	2,716
NET REVENUES	1,584	112,207	9,885		495	10	2,047	187,426	130,670
EXPENDITURES									
Current:									
General government		179,715							
Law enforcement			6,146		50				102,322
Public safety								158,981	
Sanitation									
Health									
Recreation and culture									
Total Current		179,715	6,146		50			158,981	102,322
Debt Service:									
Bond principal									
Bond interest and other charges									
Notes payable - principal									
Notes payable - interest									
TOTAL EXPENDITURES		179,715	6,146		50			158,981	102,322
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,584	(67,508)	3,739		445	10	2,047	28,445	28,348
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Property taxes remitted to hospital									
Refund to grantor									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,584	(67,508)	3,739		445	10	2,047	28,445	28,348
FUND BALANCES - JANUARY 1	5,011	85,737	22,787	\$ 2	2,156	4,384	5,503	170,969	34,489
FUND BALANCES - DECEMBER 31	\$ 6,595	\$ 18,229	\$ 26,526	\$ 2	\$ 2,601	\$ 4,394	\$ 7,550	\$ 199,414	\$ 62,837

DREW 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, 2015

Schedule 2

SPECIAL REVENUE FUNDS									
	Game and Fish Education	District Court Cost	Automated Records System Grant	Reappraisal Cost	Veteran's Memorial Maintenance	Emergency Management Preparedness	Jail Maintenance	Local Law Enforcement Grant	Voting System Grant
REVENUES									
State aid				\$ 110,800		\$ 12,595			
Federal aid								\$ 71	
Property taxes									
Sales taxes									
Fines, forfeitures, and costs		\$ 13,143					\$ 1,563		
Interest		84			\$ 5	1	394		
Officers' fees									
Sanitation fees									
911 fees									
Jail fees							53,222		
Treasurer's commission									
Collector's commission									
Other		180				2,900	1,063		
TOTAL REVENUES		<u>13,407</u>		<u>110,800</u>	<u>5</u>	<u>15,496</u>	<u>56,242</u>	<u>71</u>	
Less: Treasurer's commission		<u>260</u>				<u>1</u>	<u>1,006</u>		
NET REVENUES		<u>13,147</u>		<u>110,800</u>	<u>5</u>	<u>15,495</u>	<u>55,236</u>	<u>71</u>	
EXPENDITURES									
Current:									
General government				111,453					
Law enforcement							59,589		
Public safety						39,175			
Sanitation									
Health									
Recreation and culture	\$ 32,629								
Total Current	<u>32,629</u>			<u>111,453</u>		<u>39,175</u>	<u>59,589</u>		
Debt Service:									
Bond principal									
Bond interest and other charges									
Notes payable - principal									
Notes payable - interest									
TOTAL EXPENDITURES	<u>32,629</u>			<u>111,453</u>		<u>39,175</u>	<u>59,589</u>		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(32,629)</u>	<u>13,147</u>		<u>(653)</u>	<u>5</u>	<u>(23,680)</u>	<u>(4,353)</u>	<u>71</u>	
OTHER FINANCING SOURCES (USES)									
Transfers in						30,112			
Transfers out									
Property taxes remitted to hospital									
Refund to grantor									\$ (10,460)
TOTAL OTHER FINANCING SOURCES (USES)						<u>30,112</u>			<u>(10,460)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(32,629)</u>	<u>13,147</u>		<u>(653)</u>	<u>5</u>	<u>6,432</u>	<u>(4,353)</u>	<u>71</u>	<u>(10,460)</u>
FUND BALANCES - JANUARY 1	<u>32,629</u>	<u>30,659</u>	<u>\$ 18</u>	<u>9,919</u>	<u>1,794</u>	<u>(23,135)</u>	<u>171,067</u>		<u>10,473</u>
FUND BALANCES - DECEMBER 31	<u>\$ 0</u>	<u>\$ 43,806</u>	<u>\$ 18</u>	<u>\$ 9,266</u>	<u>\$ 1,799</u>	<u>\$ (16,703)</u>	<u>\$ 166,714</u>	<u>\$ 71</u>	<u>\$ 13</u>

DREW 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, 2015

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS			DEBT SERVICE FUNDS		Totals
	Hospital Maintenance	County Public Library	Hospital Construction	Law Enforcement Terrorism Prevention	Library Construction	2013 Series Hospital Bonds	Library Sales and Use Tax Bond 2011 Series	
REVENUES								
State aid	\$ 10,291	\$ 25,728				\$ 46,311		\$ 209,549
Federal aid				\$ 4,129				4,200
Property taxes	70,384	175,958				316,724		563,066
Sales taxes							\$ 1,336,002	1,336,002
Fines, forfeitures, and costs								127,584
Interest	23	707	\$ 6,718		\$ 104	502	1,953	11,656
Officers' fees								135,728
Sanitation fees								627,283
911 fees								187,483
Jail fees								53,222
Treasurer's commission								19,115
Collector's commission								37,874
Other	2,818	7,046				12,683		76,678
TOTAL REVENUES	83,516	209,439	6,718	4,129	104	376,220	1,337,955	3,389,440
Less: Treasurer's commission	1,572	3,930				7,074		35,421
NET REVENUES	81,944	205,509	6,718	4,129	104	369,146	1,337,955	3,354,019
EXPENDITURES								
Current:								
General government								350,214
Law enforcement								184,291
Public safety				4,200				202,720
Sanitation								612,464
Health			448,671					448,671
Recreation and culture		202,639			5,680			240,948
Total Current		202,639	448,671	4,200	5,680			2,039,308
Debt Service:								
Bond principal						110,000	1,400,000	1,510,000
Bond interest and other charges						158,923	40,170	199,093
Notes payable - principal								52,902
Notes payable - interest								3,382
TOTAL EXPENDITURES		202,639	448,671	4,200	5,680	268,923	1,440,170	3,804,685
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	81,944	2,870	(441,953)	(71)	(5,576)	100,223	(102,215)	(450,666)
OTHER FINANCING SOURCES (USES)								
Transfers in			2,602		44		42,759	140,517
Transfers out					(42,759)	(2,602)		(57,751)
Property taxes remitted to hospital	(81,944)							(81,944)
Refund to grantor								(10,460)
TOTAL OTHER FINANCING SOURCES (USES)	(81,944)		2,602		(42,715)	(2,602)	42,759	(9,638)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		2,870	(439,351)	(71)	(48,291)	97,621	(59,456)	(460,304)
FUND BALANCES - JANUARY 1		321,923	3,774,745	71	48,303	360,337	1,517,175	6,873,935
FUND BALANCES - DECEMBER 31	\$ 0	\$ 324,793	\$ 3,335,394	\$ 0	\$ 12	\$ 457,958	\$ 1,457,719	\$ 6,413,631

DREW COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2015

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

Fund Name	Fund Description
Solid Waste Management	Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges, and licenses. Each fee, charge, and license shall be based on fee schedule contained in an ordinance. Drew County Ordinance no. 2000-10 (December 23, 2000) authorized solid waste management fees.
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.
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.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
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.
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 a county or for emergency rescue services if the county has not established a patrol.
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.
Courthouse 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.
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.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
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 automated records system.
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.
Justice Assistance (JAG) Grant	Established to account for grants received from the U.S. Department of Justice to assist in fighting crime in the community.

DREW COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2015

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

Fund Name	Fund Description
Drug Court Program	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Alcohol Drug Abuse Management (ADAM) Grant	Established to account for grant received from the State of Arkansas "Enforcing Underage Drinking Laws" program in order to operate the Drew County ADAM Program related to juvenile offenders.
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 costs of administering Arkansas Constitution, Amendment no. 79.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Public Defender	Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall all be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
Game and Fish Education	Ark. Code Ann. § 6-16-1101 established fund to receive grants to be distributed to school districts or conservation districts for the sole purpose of approved conservation education programs.
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes district court filing fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
Automated Records System Grant	Established to account for grant funds received for automation of County records.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from State.
Veteran's Memorial Maintenance	Established to account for donations for Veteran's War Memorial Maintenance.
Emergency Management Preparedness	Established to account for grants received from Arkansas Department of Emergency Management for the purpose of purchasing supplies and equipment.
Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; 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.
Local Law Enforcement Grant	Established to account for a grant received from the State of Arkansas for local law enforcement programs.
Voting System Grant	Ark. Code Ann. § 19-5-1247 established fund to receive grants from the Secretary of State County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.

DREW COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2015

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

Fund Name	Fund Description
Hospital Maintenance	Ark. Const. amend. 32 established fund to collect and disburse a property tax approved by voters in 1984 to be used for maintenance, operation, and support of public hospital.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Hospital Construction	Drew County Ordinance no. 2012-7 (July 6, 2012) authorized the issuance of General Obligation Bonds under Amendment no. 62 to the Constitution of Arkansas for the purposes of refunding the County's Capital Improvement and Refunding Limited Tax General Obligation Bonds Series 2004 and for constructing and equipping capital improvements.
Law Enforcement Terrorism Prevention	Established to account for grants received from Arkansas Department of Emergency Management to provide funds to prevent terrorist attacks and ensure public safety.
Library Construction	Drew County Ordinance no. 2011-4 (March 21, 2011) established fund to receive and disburse revenue bond proceeds for library construction.
2013 Series Hospital Bonds	Drew County Ordinance no. 2012-7 (July 6, 2012) authorized the issuance of Refunding and Improvement General Obligation Bonds under Amendment no. 62 to the Constitution of Arkansas for the purposes of refunding the County's Capital Improvement and Refunding Limited Tax General Obligation Bonds Series 2004 and for constructing and equipping capital improvements, and extending and continuing the levy of an existing ad valorem tax in the amount of 1.8 mills for the purpose of retiring such bonds.
Library Sales and Use Tax Bond 2011 Series	Drew County Ordinance no. 2011-4 (March 11, 2011) established the fund to receive .50% sales and use tax being levied. The bonds were issued to finance acquiring, constructing, equipping, and furnishing a new County Library along with related library materials.

Treasurer's accounts consist primarily of Treasurer's commission, Prosecuting Attorney funds, hospital reserves, property taxes, and fines and cost not distributed to the appropriate entities.

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

Sheriff's accounts consist primarily of fees not yet distributed to the County.

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

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

County Judge's accounts consist of solid waste collections not yet remitted to the County Treasurer.

DREW COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2015
(Unaudited)

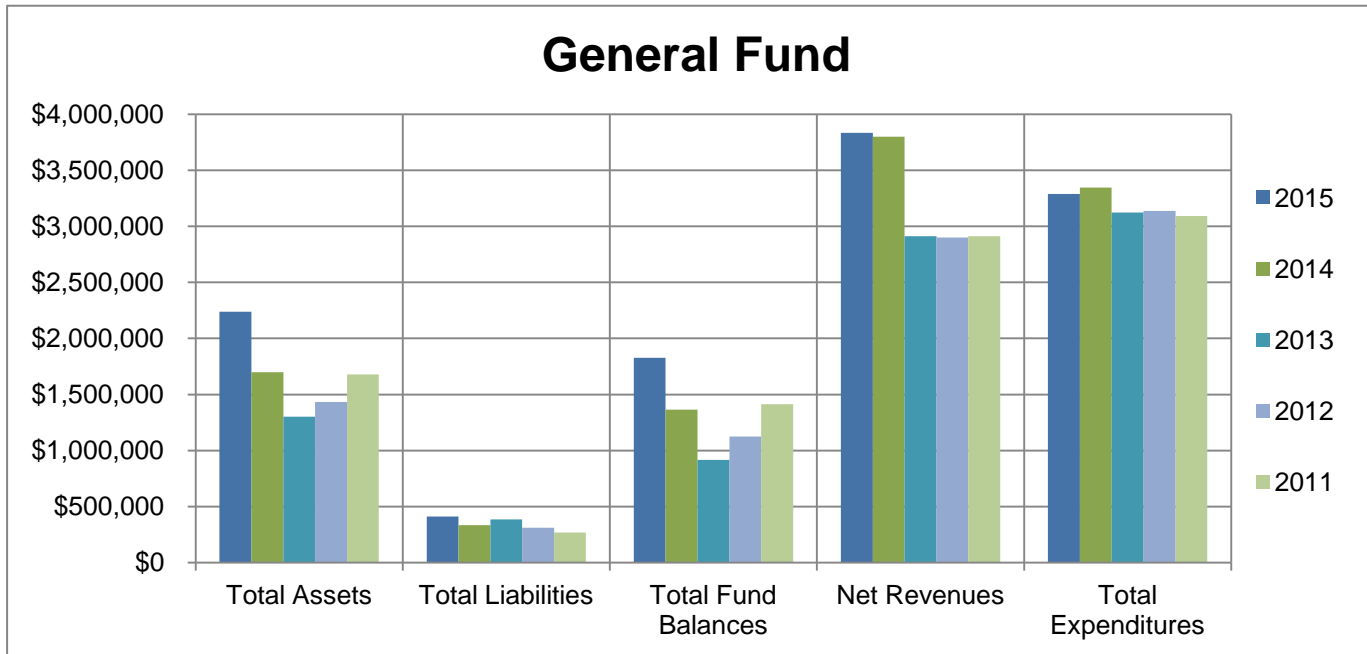
Schedule 3

	<u>December 31, 2015</u>
Land	\$ 532,856
Buildings	3,057,331
Equipment	<u>6,353,244</u>
Total	<u>\$ 9,943,431</u>

DREW COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2015
 (Unaudited)

Schedule 4-1

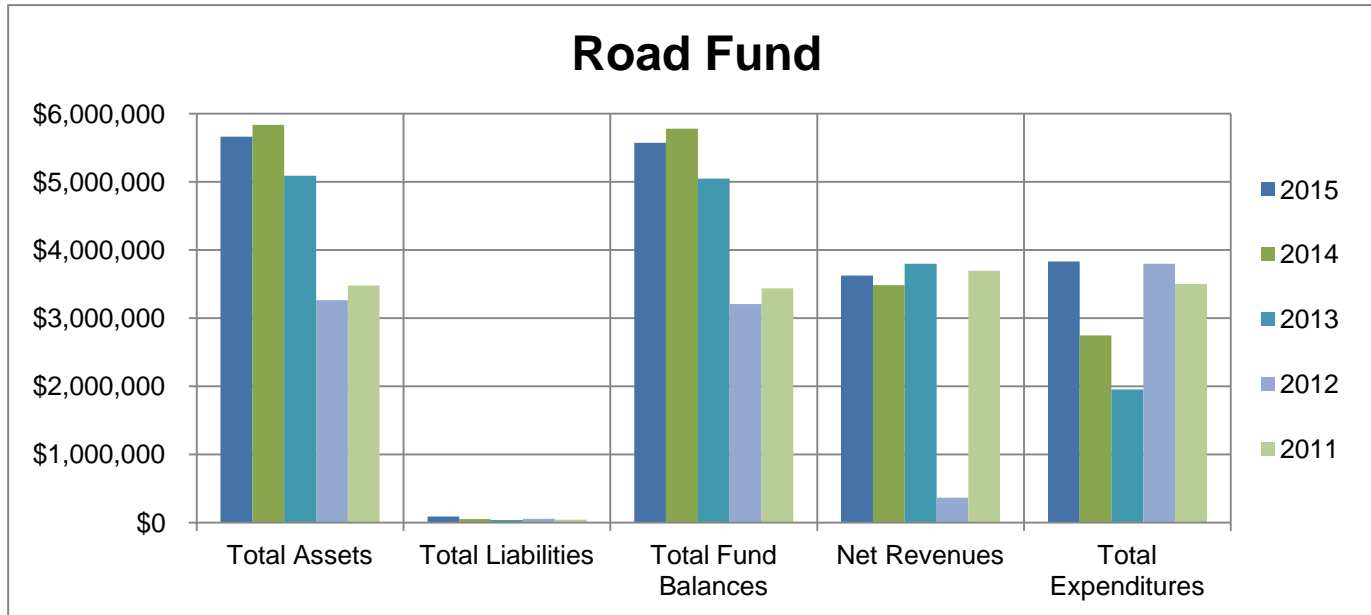
General	2015	2014	2013	2012	2011
Total Assets	\$ 2,238,397	\$ 1,698,810	\$ 1,301,007	\$ 1,432,932	\$ 1,679,713
Total Liabilities	411,258	334,978	384,967	309,426	267,798
Total Fund Balances	1,827,139	1,363,832	916,040	1,123,506	1,411,915
Net Revenues	3,834,612	3,799,420	2,912,550	2,899,396	2,912,727
Total Expenditures	3,288,804	3,345,056	3,121,875	3,138,377	3,091,847
Total Other Financing Sources/Uses	(82,766)	(2,894)	1,859	10,445	(24,506)



DREW COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
 DECEMBER 31, 2015
 (Unaudited)

Schedule 4-2

<u>Road</u>	2015	2014	2013	2012	2011
Total Assets	\$ 5,661,464	\$ 5,833,623	\$ 5,088,256	\$ 3,262,627	\$ 3,478,014
Total Liabilities	89,134	52,379	40,324	56,473	41,668
Total Fund Balances	5,572,330	5,781,244	5,047,932	3,206,154	3,436,346
Net Revenues	3,623,220	3,482,343	3,796,162	369,639	3,696,736
Total Expenditures	3,832,134	2,749,031	1,953,101	3,796,187	3,503,775
Total Other Financing Sources/Uses			(1,283)	(4,078)	



DREW COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2015
 (Unaudited)

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2015	2014	2013	2012	2011
Total Assets	\$ 7,106,924	\$ 7,492,555	\$ 9,387,196	\$ 8,540,835	\$ 8,278,304
Total Liabilities	693,293	618,620	944,096	579,721	630,083
Total Fund Balances	6,413,631	6,873,935	8,443,100	7,961,114	7,648,221
Net Revenues	3,354,019	3,306,735	3,246,047	3,245,158	2,525,071
Total Expenditures	3,804,685	4,801,897	7,726,279	3,108,382	2,041,489
Total Other Financing Sources/Uses	(9,638)	(78,499)	4,962,218	176,325	5,477,143

