

Johnson County, Arkansas

**Regulatory Basis Financial Statements
and Other Reports**

December 31, 2013

LEGISLATIVE JOINT AUDITING COMMITTEE



JOHNSON COUNTY, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

Independent Auditor's Report
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*

REGULATORY BASIS FINANCIAL STATEMENTS

	<u>Exhibit</u>
Balance Sheet – Regulatory Basis	A
Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis	B
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Road Funds – Regulatory Basis	C
Notes to Financial Statements	

SUPPLEMENTARY INFORMATION

	<u>Schedule</u>
Combining Balance Sheet – Other Funds in the Aggregate – Regulatory Basis	1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Funds in the Aggregate – Regulatory Basis	2
Notes to Schedules 1 and 2	

OTHER INFORMATION

Schedule of Capital Assets (Unaudited)	3
Schedule of Selected Information for the Last Five Years – Regulatory Basis (Unaudited)	4

Arkansas

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



Rep. Mary Broadway
House Chair
Rep. Sue Scott
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

INDEPENDENT AUDITOR'S REPORT

Johnson 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 Johnson County, Arkansas, as of and for the year ended December 31, 2013, as listed in the table of contents, and the related notes to the financial statements.

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 Arkansas Code, 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 of 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 controls. 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 Arkansas Code, 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 Johnson County, Arkansas, as of December 31, 2013, or the revenues, expenditures, and changes in net position and where applicable, cash flows, thereof for the year then ended.

Basis for Qualified Opinion on Regulatory Basis of Accounting

The County's financial statements do not disclose all the required information concerning deposit risks. In our opinion, disclosure of this information is required by the regulatory basis of accounting described in Note 1.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the omission of the information described in the "Basis for Qualified Opinions on Regulatory Basis of Accounting" paragraph, 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 Johnson County, Arkansas, as of December 31, 2013, and 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 the Arkansas Code described in Note 1.

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, except for the omission of the information described above, the 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 such information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2014 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.

DIVISION OF LEGISLATIVE AUDIT



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

Little Rock, Arkansas
December 18, 2014
LOCO03613

Arkansas

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



Rep. Mary Broadway
House Chair
Rep. Sue Scott
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF 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

Johnson 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 Johnson County, Arkansas, as of and for the year ended December 31, 2013, and the related notes to the financial statements, and have issued our report thereon dated December 18, 2014. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Arkansas Code, 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 qualified because required disclosures were not made concerning deposit risks.

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:

2013-1 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, 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 commentary contained in this section relates to the following officials that held office during 2013:

County Judge: Mike Jacobs
Treasurer/Tax Collector: Leta Willis
Sheriff: Jimmy Dorney
County Clerk: Michelle Frost
Circuit Clerk: Alicia Nowotny
Assessor: Don Robert Hurst, Jr.
County Librarian: Kathy Jones

Our audit procedures indicated that the above offices were in substantial compliance with Arkansas fiscal and financial laws.

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.

DIVISION OF LEGISLATIVE AUDIT



June M. Barron, CPA, CFE
Deputy Legislative Auditor

Little Rock, Arkansas
December 18, 2014

JOHNSON COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2013

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,619,452	\$ 2,747,495	\$ 3,358,097
Accounts receivable	230,176	132,431	191,496
Interfund receivables	334		81
	<u>\$ 2,849,962</u>	<u>\$ 2,879,926</u>	<u>\$ 3,549,674</u>
TOTAL ASSETS			
	<u>\$ 2,849,962</u>	<u>\$ 2,879,926</u>	<u>\$ 3,549,674</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 71,174	\$ 72,962	\$ 152,487
Interfund payables	81		334
Settlements pending			1,204,506
Total Liabilities	<u>71,255</u>	<u>72,962</u>	<u>1,357,327</u>
Fund Balances:			
Restricted		580,721	1,873,277
Committed			319,070
Assigned	1,088,309	2,226,243	
Unassigned	1,690,398		
Total Fund Balances	<u>2,778,707</u>	<u>2,806,964</u>	<u>2,192,347</u>
	<u>\$ 2,849,962</u>	<u>\$ 2,879,926</u>	<u>\$ 3,549,674</u>
TOTAL LIABILITIES AND FUND BALANCES			

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

JOHNSON COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 697,626	\$ 1,231,210	\$ 302,580
Federal aid	76,237	628,768	196,761
Property taxes	962,807	436,503	260,041
Sales taxes	843,907	454,411	
Fines, forfeitures, and costs	207,634		19,468
Interest	10,501	11,662	8,479
Officers' fees	172,909		213,969
Jail fees	226,883		
Sanitation fees			826,154
911 fees			304,395
Treasurer's commission	101,262		17,285
Collector's commission	79,545		44,161
Taxes apportioned - Assessor's salary and expense	286,437		
Other	200,034	61,763	29,430
	<u>3,865,782</u>	<u>2,824,317</u>	<u>2,222,723</u>
TOTAL REVENUES			
Less: Treasurer's commission	<u>75,496</u>	<u>44,930</u>	<u>31,294</u>
NET REVENUES	<u>3,790,286</u>	<u>2,779,387</u>	<u>2,191,429</u>
EXPENDITURES			
Current:			
General government	1,401,516		210,951
Law enforcement	2,354,342		35,775
Highways and streets		3,102,501	
Public safety	88,476		460,483
Sanitation			909,662
Health	18,712		71,219
Recreation and culture			277,365
Social services	33,400		
Rural water development			192,461
	<u>3,896,446</u>	<u>3,102,501</u>	<u>2,157,916</u>
TOTAL EXPENDITURES			

JOHNSON COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2013

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (106,160)</u>	<u>\$ (323,114)</u>	<u>\$ 33,513</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	83,572	180,355	2,473
Transfers out	(181,828)		(84,572)
Lawsuit settlement			<u>(150,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(98,256)</u>	<u>180,355</u>	<u>(232,099)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(204,416)</u>	<u>(142,759)</u>	<u>(198,586)</u>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	3,297,221	3,130,017	2,384,577
Restatement adjustment (Note 11)	<u>(314,098)</u>	<u>(180,294)</u>	<u>6,356</u>
FUND BALANCES - JANUARY 1, AS RESTATED	<u>2,983,123</u>	<u>2,949,723</u>	<u>2,390,933</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,778,707</u></u>	<u><u>\$ 2,806,964</u></u>	<u><u>\$ 2,192,347</u></u>

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

JOHNSON 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, 2013

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 621,788	\$ 697,626	\$ 75,838	\$ 1,481,000	\$ 1,231,210	\$ (249,790)
Federal aid	75,098	76,237	1,139	512,000	628,768	116,768
Property taxes	1,117,714	962,807	(154,907)	381,200	436,503	55,303
Sales taxes	750,000	843,907	93,907	450,000	454,411	4,411
Fines, forfeitures, and costs	294,500	207,634	(86,866)			
Interest	19,000	10,501	(8,499)	12,000	11,662	(338)
Officers' fees	164,000	172,909	8,909			
Jail fees	230,000	226,883	(3,117)			
Treasurer's commission	80,000	101,262	21,262			
Collector's commission	200,000	79,545	(120,455)			
Taxes apportioned - Assessor's salary and expense	400,000	286,437	(113,563)			
Other	350,140	200,034	(150,106)	88,516	61,763	(26,753)
TOTAL REVENUES	4,302,240	3,865,782	(436,458)	2,924,716	2,824,317	(100,399)
Less: Treasurer's commission		75,496	(75,496)		44,930	(44,930)
NET REVENUES	4,302,240	3,790,286	(511,954)	2,924,716	2,779,387	(145,329)
EXPENDITURES						
Current:						
General government	1,957,187	1,401,516	555,671			
Law enforcement	4,341,487	2,354,342	1,987,145			
Highways and streets				4,050,986	3,102,501	948,485
Public safety	103,937	88,476	15,461			
Health	18,904	18,712	192			
Social services	57,183	33,400	23,783			
TOTAL EXPENDITURES	6,478,698	3,896,446	2,582,252	4,050,986	3,102,501	948,485

JOHNSON 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, 2013

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (2,176,458)</u>	<u>\$ (106,160)</u>	<u>\$ 2,070,298</u>	<u>\$ (1,126,270)</u>	<u>\$ (323,114)</u>	<u>\$ 803,156</u>
OTHER FINANCING SOURCES (USES)						
Transfers in		83,572	83,572	260,000	180,355	(79,645)
Transfers out	<u>60,000</u>	<u>(181,828)</u>	<u>(241,828)</u>			
TOTAL OTHER FINANCING SOURCES (USES)	<u>60,000</u>	<u>(98,256)</u>	<u>(158,256)</u>	<u>260,000</u>	<u>180,355</u>	<u>(79,645)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(2,116,458)</u>	<u>(204,416)</u>	<u>1,912,042</u>	<u>(866,270)</u>	<u>(142,759)</u>	<u>723,511</u>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	1,100,000	3,297,221	2,197,221	1,800,000	3,130,017	1,330,017
Restatement adjustment (Note 11)		<u>(314,098)</u>	<u>(314,098)</u>		<u>(180,294)</u>	<u>(180,294)</u>
FUND BALANCES - JANUARY 1, AS RESTATED	<u>1,100,000</u>	<u>2,983,123</u>	<u>1,883,123</u>	<u>1,800,000</u>	<u>2,949,723</u>	<u>1,149,723</u>
FUND BALANCES - DECEMBER 31	<u>\$ (1,016,458)</u>	<u>\$ 2,778,707</u>	<u>\$ 3,795,165</u>	<u>\$ 933,730</u>	<u>\$ 2,806,964</u>	<u>\$ 1,873,234</u>

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

JOHNSON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

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 Arkansas Code. 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: County General, County General Investments, Courthouse Expansion, Courthouse Expansion Investment, Retirement, Retirement Investments, Housing and Urban Development (HUD), Homeland Security Exercise and Evaluation Program, State Homeland Security Grant, Senior Citizen Grant Part B, and Law Enforcement Terrorism Program 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 federal aid 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: Recorder's Cost, Juvenile Probation, Sheriff's Communication Facility and Equipment, Public Defender, Seized and Forfeited Property (Drug), Child Support Cost, Solid Waste, Public Defender Investigator, Treasurer's Automation, Emergency 911, County Clerk's Cost, Tax Collector's Automation, Boating Safety, Court Automation, Jail Bond, Nuclear Response, Community Emergency Response Team, Library, Assessor's Amendment no. 79, Adult Drug Court Treatment, Voting System Grant, Circuit Clerk Commissioner's Fee, Johnson County 4-H, Boy Scouts Troop 76, Volunteer Fire Departments, Kraus Middle School, Liberty Hill Community Building, Forrester Davis, County Courthouse, Johnson County Round-Up Club, Historical Society, Rural Fire Protection Grant, Hospital, Game and Fish Education, Johnson County Chamber of Commerce, Liberty Hill Cemetery, Spadra Community Rural Fire Department #9, Law Enforcement Block Grant, Fire Equipment and Training (Act 833), Woodland Community Building, and Johnson County Fair Association.

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 Fund is reported with other funds in the aggregate: Brown Mountain Water Project Grant.

JOHNSON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation - Regulatory Fund Accounting (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's Accounts (Treasurer's Commission, Timber Tax, Interest, Common School, Soil Conservation, Law Library, City of Clarksville, City of Coal Hill, City of Hartman, City of Knoxville, City of Lamar, Clarksville School District, Oark (Jasper) School District, Lamar School District, Pope 17 School District, Franklin County School District, Newton County School District, Westside School District, and Cedar Creek); Collector's Account (Delinquent Tax); Sheriff's Accounts (Fee, Bond and Fine, and Commissary); County Clerk's Accounts (Fee and Trust); and Circuit Clerk's Accounts (Fee, Juvenile, Restitution, Trust, and Child Support).

C. Basis of Accounting

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Arkansas Code. 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 accounts and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, taxes that have not been transferred to the appropriate entities, and trust funds awaiting disposition by applicable courts.

Fund Balance Classifications

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

JOHNSON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 1: Summary of Significant Accounting Policies (Continued)

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.

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 Sheriff's Communication Facility and Equipment Fund.

G. Fund Balance Classification Policies and Procedures

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

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

NOTE 2: Cash

Deposit risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk have not been provided as required by Governmental Accounting Standards Board Statement no. 40.

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

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

JOHNSON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 4: Accounts Receivable

The accounts receivable balance at December 31, 2013 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid			\$ 30,000
Federal aid		\$ 83,181	64,730
Property taxes	\$ 69,383		
Sales taxes	69,858	37,615	
Fines, forfeitures, and costs	14,255		
Interest	754	412	313
Officers' fees	27,607		16,135
Jail fees	37,777		
Sanitation fees			67,042
911 fees			13,276
Other	10,542	11,223	
Totals	<u>\$ 230,176</u>	<u>\$ 132,431</u>	<u>\$ 191,496</u>

NOTE 5: Accounts Payable

The accounts payable balance at December 31, 2013 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 71,174	\$ 72,962	\$ 129,851
Other			22,636
Totals	<u>\$ 71,174</u>	<u>\$ 72,962</u>	<u>\$ 152,487</u>

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2013	
	Interfund Receivables	Interfund Payables
General	\$ 334	\$ 81
Other Funds in the Aggregate:		
Special Revenue:		
Voting System Grant	81	
Capital Projects:		
Brown Mountain Water Project		334
Totals	<u>\$ 415</u>	<u>\$ 415</u>

Interfund receivables and payables consist of interfund loans. These balances are expected to be repaid in 2014.

JOHNSON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

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, 2013, the legal debt limit for bonded debt was \$23,773,411. 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, 2013, the legal debt limit for short-term financing obligations was \$6,505,373. There were no short-term financing obligations.

NOTE 8: Details of Fund Balance Classifications

Fund balance classifications at December 31, 2013 are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 575,219
Law enforcement			285,229
Highways and streets		\$ 580,721	
Public safety			740,042
Health			71,321
Recreation and culture			196,466
Social services			5,000
Total Restricted		<u>580,721</u>	<u>1,873,277</u>
Committed for:			
Sanitation			<u>319,070</u>
Assigned to:			
General government	\$ 1,044,812		
Highways and streets		2,226,243	
Social services	43,497		
Total Assigned	<u>1,088,309</u>	<u>2,226,243</u>	
Unassigned	<u>1,690,398</u>		
Totals	<u>\$ 2,778,707</u>	<u>\$ 2,806,964</u>	<u>\$ 2,192,347</u>

NOTE 9: Commitments

Total commitments consist of the following at December 31, 2013:

	December 31, 2013
Reappraisal contract	\$ 266,195
Landfill closure and postclosure care costs	<u>121,659</u>
Total Commitments	<u>\$ 387,854</u>

JOHNSON COUNTY, ARKANSAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2013

NOTE 9: Commitments (Continued)

Reappraisal Contract

The County entered into a contract, dated December 29, 2010, with Total Assessment Solutions Corporation (TASC) for reappraisal services. The terms of the contract require \$665,486 to be paid in monthly installments of \$11,091 for a period of five years. The County is obligated for the following amount for the next two years:

Year	December 31, 2013
2014	\$ 133,097
2015	133,098
Total	\$ 266,195

Reappraisal expense for 2013 was \$133,097.

Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require that the County place a 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 only near or after the date the landfill stops accepting waste, the County recognizes a portion of these closure and postclosure care costs each year based on the landfill capacity used as of the balance sheet date. The estimated liability for the landfill closure and postclosure care costs has a balance of \$121,659 which is based on the use of 73% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$44,581 as the remaining estimated capacity is filled. 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, 2013. However, the actual costs of closure and postclosure care 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 – 8-6-1604 to establish financial assurance for the cost of closure and postclosure care in compliance with the state regulations and the solid waste permit. At December 31, 2013, the County has a Contract of Obligation in the amount of \$150,000 with the Arkansas Department of Environmental Quality to fulfill this requirement.

Compensated Absences

Compensated absences do vest or accumulate. The amount of compensated absences was not determined.

NOTE 10: Interfund Transfers

The County transferred \$180,355 and \$1,473 from the General Fund to the Road Fund and Other Funds in the Aggregate (\$1,392 to Public Defender and \$81 to Voting System Grant), respectively, to supplement operations. The Other Funds in the Aggregate (Tax Collector's Automation) transferred \$83,572 to the General Fund for reimbursement of commissions that were over distributed in prior years and within Other Funds in the Aggregate, the Johnson County Round-Up Fund transferred \$1,000 to the Kraus Middle School Fund to supplement operations.

NOTE 11: Prior Year Restatement

To comply with Ark. Code Ann. § 19-5-602, the beginning fund balances of the General Fund, Road Fund and Other Funds in the Aggregate were decreased by \$322,786, \$180,294 and \$3,505, respectively, to recognize revenues in the year received by the County.

JOHNSON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 11: Prior Year Restatement (Continued)

The beginning fund balances of the General Fund and Other Funds in the Aggregate were restated for the reclassification of funds. The Adult Drug Court Treatment Fund was reclassified from the General Fund to Other Funds in the Aggregate in the amount of \$9,861 and the Sheriff's Office account was reclassified from Other Funds in the Aggregate (Agency – Sheriff's Accounts) to the General Fund in the amount of \$18,549.

NOTE 12: Joint Venture: Arkansas River Valley Regional Library

Franklin, Johnson, Logan, and Yell Counties entered into an agreement on July 1, 1985 in accordance with Ark. Code Ann. § 13-2-407 to establish the Arkansas River Valley Regional Library (Regional Library). The agreement states that library services shall be made available to all residents of the counties who enter into the agreement. Bookmobile services will be given to select areas in each county, the areas are to be recommended by the County Library Board and approved by the Regional Library Board and the Arkansas State Library Board. The Johnson County Library paid \$68,463 for regional library services in 2013. Separate financial statements may be obtained at 501 N Front Street, Dardanelle, AR 72834.

NOTE 13: Jointly Governed Organizations

West River Valley Solid Waste Management District

Conway, Crawford, Franklin, Johnson, Logan, Perry, Pope, Scott, and Yell Counties entered into an agreement in 1991 to form the West River Valley Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-708. The County provided funding in the amount of \$1,280 during 2013. Separate financial statements may be obtained at: 24087 Highway 164, Clarksville, AR 72830.

Fifth Judicial District Drug Task Force

The Prosecuting Attorney of the Fifth Judicial District, the Sheriff's Departments of Pope, Johnson, and Franklin Counties, and the Police Departments of Russellville, Clarksville, and Ozark entered into an agreement to establish the Fifth Judicial District Drug Task Force. Funding was provided through a Drug Law Enforcement Program grant applied for by the Prosecuting Attorney of the Fifth Judicial District. Financial statements of the Fifth Judicial District Drug Task Force are not available. The County did not contribute any funding to the Fifth Judicial District Drug Task Force for 2013.

NOTE 14: 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 areas:

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

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment by the program is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.

JOHNSON COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE 14: Risk Management (Continued)

B. Physical Damage - This program covers vehicles (excluding mobile equipment) which are the property of the participating county. Property is valued at the full cost to repair or replace the property after deduction for depreciation. Loss amounts payable will be reduced by the deductible amount of \$500 per occurrence. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

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

Building and Contents Program - This program is a blanket policy with coverage up to \$13,001,736 for buildings and \$4,657,495 contents for any one loss with a \$1,000 deductible. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county property.

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.

NOTE 15: Arkansas Public Employees Retirement System

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS 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 PERS. 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

PERS has contributory and non-contributory plans. Contributory members are required by code to contribute 5% of their salary. Each participating employer is required by code 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, 2013 were \$482,217.

NOTE 16: Hospital Lease

On October 25, 1995, Johnson County entered into a lease transaction with Johnson Regional Medical Center, an Arkansas nonprofit corporation, to enact the assignment and lease agreement dated as of January 23, 1995. The parties agreed that the commencement date of the lease would be January 1, 1996 with the primary term of the lease being a period of five years with a lease payment of \$25 per year. The agreement provides the lessee with the option to review and extend the agreement upon the same terms and conditions for seven successive terms of five years. In connection with the lease, the County assigned the operation assets, and the Medical Center assumed all contractual liabilities at the hospital.

JOHNSON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2013

Schedule 1

	SPECIAL REVENUE FUNDS								
	Recorder's Cost	Juvenile Probation	Sheriff's Communication Facility and Equipment	Public Defender	Seized and Forfeited Property (Drug)	Child Support Cost	Solid Waste	Public Defender Investigator	Treasurer's Automation
ASSETS									
Cash and cash equivalents	\$ 103,016	\$ 7,145	\$ 103,449	\$ 62	\$ 4,100	\$ 11,745	\$ 299,643	\$ 6,769	\$ 168,447
Accounts receivable	13,065	80	1,737			61	67,233		
Interfund receivables									
TOTAL ASSETS	<u>\$ 116,081</u>	<u>\$ 7,225</u>	<u>\$ 105,186</u>	<u>\$ 62</u>	<u>\$ 4,100</u>	<u>\$ 11,806</u>	<u>\$ 366,876</u>	<u>\$ 6,769</u>	<u>\$ 168,447</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 302					\$ 503	\$ 47,806		\$ 24
Interfund payables									
Settlements pending									
Total Liabilities	<u>302</u>					<u>503</u>	<u>47,806</u>		<u>24</u>
Fund Balances:									
Restricted	115,779	\$ 7,225	\$ 105,186	\$ 62	\$ 4,100	11,303		\$ 6,769	168,423
Committed							319,070		
Total Fund Balances	<u>115,779</u>	<u>7,225</u>	<u>105,186</u>	<u>62</u>	<u>4,100</u>	<u>11,303</u>	<u>319,070</u>	<u>6,769</u>	<u>168,423</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 116,081</u>	<u>\$ 7,225</u>	<u>\$ 105,186</u>	<u>\$ 62</u>	<u>\$ 4,100</u>	<u>\$ 11,806</u>	<u>\$ 366,876</u>	<u>\$ 6,769</u>	<u>\$ 168,447</u>

JOHNSON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2013

Schedule 1

	SPECIAL REVENUE FUNDS								
	Emergency 911	County Clerk's Cost	Tax Collector's Automation	Boating Safety	Court Automation	Jail Bond	Nuclear Response	Community Emergency Response Team	Library
ASSETS									
Cash and cash equivalents	\$ 584,290	\$ 19,189	\$ 183,615	\$ 8,851	\$ 29,303	\$ 120,307	\$ 70,001	\$ 599	\$ 187,279
Accounts receivable	13,346	285			370				19
Interfund receivables									
TOTAL ASSETS	<u>\$ 597,636</u>	<u>\$ 19,474</u>	<u>\$ 183,615</u>	<u>\$ 8,851</u>	<u>\$ 29,673</u>	<u>\$ 120,307</u>	<u>\$ 70,001</u>	<u>\$ 599</u>	<u>\$ 187,298</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 2,555						\$ 690		\$ 24,107
Interfund payables									
Settlements pending									
Total Liabilities	<u>2,555</u>						<u>690</u>		<u>24,107</u>
Fund Balances:									
Restricted	595,081	\$ 19,474	\$ 183,615	\$ 8,851	\$ 29,673	\$ 120,307	69,311	\$ 599	163,191
Committed									
Total Fund Balances	<u>595,081</u>	<u>19,474</u>	<u>183,615</u>	<u>8,851</u>	<u>29,673</u>	<u>120,307</u>	<u>69,311</u>	<u>599</u>	<u>163,191</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 597,636</u>	<u>\$ 19,474</u>	<u>\$ 183,615</u>	<u>\$ 8,851</u>	<u>\$ 29,673</u>	<u>\$ 120,307</u>	<u>\$ 70,001</u>	<u>\$ 599</u>	<u>\$ 187,298</u>

JOHNSON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2013

Schedule 1

	SPECIAL REVENUE FUNDS								
	Assessor's Amendment no. 79	Adult Drug Court Treatment	Voting System Grant	Circuit Clerk Commissioner's Fee	Johnson County 4-H	Boy Scouts Troop 76	Volunteer Fire Departments	Liberty Hill Community Building	Forrester Davis
ASSETS									
Cash and cash equivalents	\$ 58,021	\$ 11,374	\$ 10,732	\$ 104	\$ 1,928	\$ 2,218	\$ 42,500	\$ 2,500	\$ 2,500
Accounts receivable		524		46			11,000		
Interfund receivables			81						
TOTAL ASSETS	<u>\$ 58,021</u>	<u>\$ 11,898</u>	<u>\$ 10,813</u>	<u>\$ 150</u>	<u>\$ 1,928</u>	<u>\$ 2,218</u>	<u>\$ 53,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 44	\$ 10,813						
Interfund payables									
Settlements pending									
Total Liabilities		<u>44</u>	<u>10,813</u>						
Fund Balances:									
Restricted	\$ 58,021	11,854		\$ 150	\$ 1,928	\$ 2,218	\$ 53,500	\$ 2,500	\$ 2,500
Committed									
Total Fund Balances	<u>58,021</u>	<u>11,854</u>		<u>150</u>	<u>1,928</u>	<u>2,218</u>	<u>53,500</u>	<u>2,500</u>	<u>2,500</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 58,021</u>	<u>\$ 11,898</u>	<u>\$ 10,813</u>	<u>\$ 150</u>	<u>\$ 1,928</u>	<u>\$ 2,218</u>	<u>\$ 53,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>

JOHNSON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2013

Schedule 1

	SPECIAL REVENUE FUNDS							
	County Courthouse	Historical Society	Rural Fire Protection Grant	Hospital	Game and Fish Education	Johnson County Chamber of Commerce	Liberty Hill Cemetery	Law Enforcement Block Grant
ASSETS								
Cash and cash equivalents	\$ 1,954	\$ 2,500	\$ 12,700	\$ 71,321	\$ 19,129	\$ 2,500	\$ 2,500	\$ 1,300
Accounts receivable								
Interfund receivables								
TOTAL ASSETS	\$ 1,954	\$ 2,500	\$ 12,700	\$ 71,321	\$ 19,129	\$ 2,500	\$ 2,500	\$ 1,300
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 1,247
Interfund payables								
Settlements pending								
Total Liabilities								1,247
Fund Balances:								
Restricted	\$ 1,954	\$ 2,500	\$ 12,700	\$ 71,321	\$ 19,129	\$ 2,500	\$ 2,500	53
Committed								
Total Fund Balances	1,954	2,500	12,700	71,321	19,129	2,500	2,500	53
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,954	\$ 2,500	\$ 12,700	\$ 71,321	\$ 19,129	\$ 2,500	\$ 2,500	\$ 1,300

JOHNSON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2013

Schedule 1

	SPECIAL REVENUE FUNDS		CAPITAL	AGENCY FUNDS					Totals
	Woodland Community Building	Johnson County Fair Association	PROJECTS FUND Brown Mountain Water Project Grant	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	
ASSETS									
Cash and cash equivalents				\$ 837,330	\$ 69,396	\$ 66,257	\$ 57,132	\$ 174,391	\$ 3,358,097
Accounts receivable	\$ 9,000	\$ 10,000	\$ 64,730						191,496
Interfund receivables									81
TOTAL ASSETS	<u>\$ 9,000</u>	<u>\$ 10,000</u>	<u>\$ 64,730</u>	<u>\$ 837,330</u>	<u>\$ 69,396</u>	<u>\$ 66,257</u>	<u>\$ 57,132</u>	<u>\$ 174,391</u>	<u>\$ 3,549,674</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable			\$ 64,396						\$ 152,487
Interfund payables			334						334
Settlements pending				\$ 837,330	\$ 69,396	\$ 66,257	\$ 57,132	\$ 174,391	1,204,506
Total Liabilities			<u>64,730</u>	<u>837,330</u>	<u>69,396</u>	<u>66,257</u>	<u>57,132</u>	<u>174,391</u>	<u>1,357,327</u>
Fund Balances:									
Restricted	\$ 9,000	\$ 10,000							1,873,277
Committed									319,070
Total Fund Balances	<u>9,000</u>	<u>10,000</u>							<u>2,192,347</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,000</u>	<u>\$ 10,000</u>	<u>\$ 64,730</u>	<u>\$ 837,330</u>	<u>\$ 69,396</u>	<u>\$ 66,257</u>	<u>\$ 57,132</u>	<u>\$ 174,391</u>	<u>\$ 3,549,674</u>

JOHNSON 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, 2013

Schedule 2

	SPECIAL REVENUE FUNDS								
	Recorder's Cost	Juvenile Probation	Sheriff's Communication Facility and Equipment	Public Defender	Seized and Forfeited Property (Drug)	Child Support Cost	Solid Waste	Public Defender Investigator	Treasurer's Automation
REVENUES									
State aid				\$ 2,409					
Federal aid									
Property taxes									
Fines, forfeitures, and costs				5,587				\$ 3,170	
Interest	\$ 96	\$ 22	\$ 50	1	\$ 16	\$ 87	\$ 1,898	22	\$ 649
Officers' fees	182,114	2,665	19,590			841			
Sanitation fees							826,154		
911 fees									
Treasurer's commission									17,285
Collector's commission									
Other	1,031	6		55		3	6,924		
TOTAL REVENUES	183,241	2,693	19,640	8,052	16	931	834,976	3,192	17,934
Less: Treasurer's commission	2,754	16		147		13	16,149		
NET REVENUES	180,487	2,677	19,640	7,905	16	918	818,827	3,192	17,934
EXPENDITURES									
Current:									
General government	140,856								19,850
Law enforcement		574	13,322	9,831				1,000	
Public safety									
Sanitation							909,662		
Health									
Recreation and culture									
Rural water development									
TOTAL EXPENDITURES	140,856	574	13,322	9,831		3,920	909,662	1,000	19,850
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	39,631	2,103	6,318	(1,926)	16	(3,002)	(90,835)	2,192	(1,916)
OTHER FINANCING SOURCES (USES)									
Transfers in				1,392					
Transfers out									
Lawsuit settlement	(150,000)								
TOTAL OTHER FINANCING SOURCES (USES)	(150,000)			1,392					
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(110,369)	2,103	6,318	(534)	16	(3,002)	(90,835)	2,192	(1,916)
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	226,148	5,122	98,868	596	4,084	14,305	409,905	4,577	170,339
Restatement adjustment (Note 11)									
FUND BALANCES - JANUARY 1, AS RESTATED	226,148	5,122	98,868	596	4,084	14,305	409,905	4,577	170,339
FUND BALANCES - DECEMBER 31	\$ 115,779	\$ 7,225	\$ 105,186	\$ 62	\$ 4,100	\$ 11,303	\$ 319,070	\$ 6,769	\$ 168,423

JOHNSON 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, 2013

Schedule 2

SPECIAL REVENUE FUNDS									
	Emergency 911	County Clerk's Cost	Tax Collector's Automation	Boating Safety	Court Automation	Jail Bond	Nuclear Response	Community Emergency Response Team	Library
REVENUES									
State aid				\$ 1,473			\$ 65,000		\$ 44,383
Federal aid									
Property taxes									200,030
Fines, forfeitures, and costs									
Interest	\$ 2,518	\$ 98	\$ 1,076	31	\$ 4,323	\$ 6,388			681
Officers' fees		4,555			103	498	228		
Sanitation fees									
911 fees	304,395								
Treasurer's commission									
Collector's commission			44,161						
Other	2,292						16		16,658
TOTAL REVENUES	309,205	4,653	45,237	1,504	4,426	6,886	65,244		261,752
Less: Treasurer's commission	5,683								5,026
NET REVENUES	303,522	4,653	45,237	1,504	4,426	6,886	65,244		256,726
EXPENDITURES									
Current:									
General government		9,174	22,014						
Law enforcement									
Public safety	334,388			589			58,877		
Sanitation									
Health									
Recreation and culture									268,028
Rural water development									
TOTAL EXPENDITURES	334,388	9,174	22,014	589			58,877		268,028
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(30,866)	(4,521)	23,223	915	4,426	6,886	6,367		(11,302)
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out			(83,572)						
Lawsuit settlement									
TOTAL OTHER FINANCING SOURCES (USES)			(83,572)						
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(30,866)	(4,521)	(60,349)	915	4,426	6,886	6,367		(11,302)
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	625,947	23,995	243,964	8,037	25,247	113,421	62,944	\$ 599	174,493
Restatement adjustment (Note 11)				(101)					
FUND BALANCES - JANUARY 1, AS RESTATED	625,947	23,995	243,964	7,936	25,247	113,421	62,944	599	174,493
FUND BALANCES - DECEMBER 31	\$ 595,081	\$ 19,474	\$ 183,615	\$ 8,851	\$ 29,673	\$ 120,307	\$ 69,311	\$ 599	\$ 163,191

JOHNSON 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, 2013

Schedule 2

	SPECIAL REVENUE FUNDS								
	Assessor's Amendment no. 79	Adult Drug Court Treatment	Voting System Grant	Circuit Clerk Commissioner's Fee	Johnson County 4-H	Boy Scouts Troop 76	Volunteer Fire Departments	Kraus Middle School	Liberty Hill Community Building
REVENUES									
State aid	\$ 3,404	\$ 500	\$ 10,732		\$ 1,928	\$ 2,218	\$ 56,500		\$ 2,500
Federal aid									
Property taxes									
Fines, forfeitures, and costs									
Interest	220	40							
Officers' fees		4,054		\$ 150					
Sanitation fees									
911 fees									
Treasurer's commission									
Collector's commission									
Other									
TOTAL REVENUES	3,624	4,594	10,732	150	1,928	2,218	56,500		2,500
Less: Treasurer's commission									
NET REVENUES	3,624	4,594	10,732	150	1,928	2,218	56,500		2,500
EXPENDITURES									
Current:									
General government			10,813					\$ 1,000	
Law enforcement		2,601							
Public safety							8,945		
Sanitation									
Health									
Recreation and culture					837	1,000			
Rural water development									
TOTAL EXPENDITURES		2,601	10,813		837	1,000	8,945	1,000	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,624	1,993	(81)	150	1,091	1,218	47,555	(1,000)	2,500
OTHER FINANCING SOURCES (USES)									
Transfers in			81					1,000	
Transfers out									
Lawsuit settlement									
TOTAL OTHER FINANCING SOURCES (USES)			81					1,000	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,624	1,993		150	1,091	1,218	47,555		2,500
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	57,801				837	1,000	5,945		
Restatement adjustment (Note 11)	(3,404)	9,861							
FUND BALANCES - JANUARY 1, AS RESTATED	54,397	9,861			837	1,000	5,945		
FUND BALANCES - DECEMBER 31	\$ 58,021	\$ 11,854	\$ 0	\$ 150	\$ 1,928	\$ 2,218	\$ 53,500	\$ 0	\$ 2,500

JOHNSON 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, 2013

Schedule 2

	SPECIAL REVENUE FUNDS								
	Forrester Davis	County Courthouse	Johnson County Round- Up Club	Historical Society	Rural Fire Protection Grant	Hospital	Game and Fish Education	Johnson County Chamber of Commerce	Liberty Hill Cemetery
REVENUES									
State aid	\$ 2,500	\$ 2,500		\$ 2,500		\$ 13,315	\$ 9,034	\$ 2,500	\$ 2,500
Federal aid									
Property taxes						60,011			
Fines, forfeitures, and costs									
Interest					\$ 6	125	14		
Officers' fees									
Sanitation fees									
911 fees									
Treasurer's commission									
Collector's commission									
Other						2,445			
TOTAL REVENUES	2,500	2,500		2,500	6	75,896	9,048	2,500	2,500
Less: Treasurer's commission						1,506			
NET REVENUES	2,500	2,500		2,500	6	74,390	9,048	2,500	2,500
EXPENDITURES									
Current:									
General government		3,324							
Law enforcement									
Public safety									
Sanitation									
Health						71,219			
Recreation and culture							7,500		
Rural water development									
TOTAL EXPENDITURES		3,324				71,219	7,500		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,500	(824)		2,500	6	3,171	1,548	2,500	2,500
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Lawsuit settlement			\$ (1,000)						
TOTAL OTHER FINANCING SOURCES (USES)			(1,000)						
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,500	(824)	(1,000)	2,500	6	3,171	1,548	2,500	2,500
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED		2,778	1,000		12,694	68,150	17,581		
Restatement adjustment (Note 11)									
FUND BALANCES - JANUARY 1, AS RESTATED		2,778	1,000		12,694	68,150	17,581		
FUND BALANCES - DECEMBER 31	\$ 2,500	\$ 1,954	\$ 0	\$ 2,500	\$ 12,700	\$ 71,321	\$ 19,129	\$ 2,500	\$ 2,500

JOHNSON 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, 2013

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS	Totals
	Spadra Community Rural Fire Department #9	Law Enforcement Block Grant	Fire Equipment and Training (Act 833)	Woodland Community Building	Johnson County Fair Association	Brown Mountain Water Project Grant	
REVENUES							
State aid	\$ 6,000		\$ 51,684	\$ 9,000	\$ 10,000		\$ 302,580
Federal aid		\$ 4,300				\$ 192,461	196,761
Property taxes							260,041
Fines, forfeitures, and costs							19,468
Interest							8,479
Officers' fees							213,969
Sanitation fees							826,154
911 fees							304,395
Treasurer's commission							17,285
Collector's commission							44,161
Other							29,430
TOTAL REVENUES	6,000	4,300	51,684	9,000	10,000	192,461	2,222,723
Less: Treasurer's commission							31,294
NET REVENUES	6,000	4,300	51,684	9,000	10,000	192,461	2,191,429
EXPENDITURES							
Current:							
General government							210,951
Law enforcement		8,447					35,775
Public safety	6,000		51,684				460,483
Sanitation							909,662
Health							71,219
Recreation and culture							277,365
Rural water development						192,461	192,461
TOTAL EXPENDITURES	6,000	8,447	51,684			192,461	2,157,916
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(4,147)		9,000	10,000		33,513
OTHER FINANCING SOURCES (USES)							
Transfers in							2,473
Transfers out							(84,572)
Lawsuit settlement							(150,000)
TOTAL OTHER FINANCING SOURCES (USES)							(232,099)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		(4,147)		9,000	10,000		(198,586)
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED		4,200					2,384,577
Restatement adjustment (Note 11)							6,356
FUND BALANCES - JANUARY 1, AS RESTATED		4,200					2,390,933
FUND BALANCES - DECEMBER 31	\$ 0	\$ 53	\$ 0	\$ 9,000	\$ 10,000	\$ 0	\$ 2,192,347

JOHNSON COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2013

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

Fund Name	Fund Description
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.
Juvenile Probation	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.
Sheriff's 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.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents.
Seized and Forfeited Property (Drug)	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's Office.
Solid Waste	Johnson County Ordinance no. 341 of 1986 (May 14, 1986) established fund to account for sanitation fee collections and operating expenses of the County Sanitation Department.
Public Defender Investigator	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents.
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.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
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.
Tax 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.

JOHNSON COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2013

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

Fund Name	Fund Description
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.
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.
Jail Bond	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.
Nuclear Response	Fund established to account for funds received from the State of Arkansas, Department of Health and administered under guidelines established in Act 536 of 1983.
Community Emergency Response Team	Fund established to account for grant received from the State of Arkansas, Department of Emergency Management and administered under the guidelines of Citizen Corps Program (CCP).
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.
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.
Adult Drug Court Treatment	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.
Voting System Grant	Ark. Code Ann. § 19-5-1247 established fund to receive grants from the County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.
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.
Johnson County 4-H	Fund established to account for grant received from West Central Arkansas Planning and Development District.

JOHNSON COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2013

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

Fund Name	Fund Description
Boy Scouts Troop 76	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Volunteer Fire Departments	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Kraus Middle School	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Liberty Hill Community Building	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Forrester Davis	Fund established to account for grant received from West Central Arkansas Planning and Development District.
County Courthouse	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Johnson County Round-Up Club	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Historical Society	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Rural Fire Protection Grant	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Hospital	Fund established to account for Hospital property tax millage authorized by Amendment no. 32 of the Arkansas Constitution.
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.
Johnson County Chamber of Commerce	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Liberty Hill Cemetery	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Spadra Community Rural Fire Department #9	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Law Enforcement Block Grant	Fund established to account for a federal grant received for law enforcement programs.
Fire Equipment and Training (Act 833)	Ark. Code Ann. § 14-284-403 requires fire protection premium tax funds to be distributed by the County to local fire districts for equipment, training, capital improvements, insurance for buildings, utility costs, or other expenditures necessary for upgrading fire service.

JOHNSON COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2013

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

Fund Name	Fund Description
Woodland Community Building	Fund established to account for grant received from West Central Arkansas Planning and Development District.
Johnson County Fair Association	Fund established to account for grant received from West Central Arkansas Planning and Development District
Brown Mountain Water Project Grant	Johnson County Resolution no. 232 (February 12, 2009) established fund to account for the proceeds and expenditures of Community Development Block Grant monies received from U.S. Department of Housing and Urban Development through Arkansas Natural Resources Commission.

Treasurer's accounts consist primarily of property taxes, treasurer's commission, federal aid, and interest not distributed to appropriate entities.
 Collector's accounts consist primarily of delinquent taxes not yet distributed to the various taxing units.
 Sheriff's accounts consist primarily of fees settlement, bond, evidence, and inmate trust money.
 County Clerk's accounts consist primarily of trust money awaiting disposition by applicable courts.
 Circuit Clerk's accounts consist of trust money awaiting disposition by applicable courts and settlements due to Treasurer.

JOHNSON COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2013
(Unaudited)

Schedule 3

	<u>December 31, 2013</u>
Land	\$ 300,000
Building and improvements	4,497,151
Equipment	<u>6,432,169</u>
Total	<u>\$ 11,229,320</u>

JOHNSON COUNTY, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - REGULATORY BASIS
DECEMBER 31, 2013
(Unaudited)

Schedule 4

<u>General</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Total Assets	\$ 2,849,962	\$ 3,356,662	\$ 3,491,327	\$ 2,916,666	\$ 2,809,124
Total Liabilities	71,255	59,441	82,552	99,129	63,008
Total Fund Balances	2,778,707	3,297,221	3,408,775	2,817,537	2,746,116
Net Revenues	3,790,286	3,825,657	4,873,911	3,850,932	3,938,837
Total Expenditures	3,896,446	3,875,819	4,235,156	3,719,511	3,555,831
Total Other Financing Sources/Uses	(98,256)	(61,392)	(17,410)	(60,000)	(60,000)
<u>Road</u>					
Total Assets	\$ 2,879,926	\$ 3,200,066	\$ 3,433,034	\$ 3,253,459	\$ 2,696,675
Total Liabilities	72,962	70,049	84,493	88,303	86,124
Total Fund Balances	2,806,964	3,130,017	3,348,541	3,165,156	2,610,551
Net Revenues	2,779,387	2,642,921	2,520,734	2,736,988	2,621,554
Total Expenditures	3,102,501	2,921,445	2,390,607	2,242,383	2,071,285
Total Other Financing Sources/Uses	180,355	60,000	53,258	60,000	60,000
<u>Other Funds in the Aggregate</u>					
Total Assets	\$ 3,549,674	\$ 4,436,431	\$ 4,035,601	\$ 3,654,359	\$ 5,910,501
Total Liabilities	1,357,327	2,051,854	1,534,314	1,318,613	3,669,287
Total Fund Balances	2,192,347	2,384,577	2,501,287	2,335,746	2,241,214
Net Revenues	2,191,429	2,057,132	2,270,625	3,163,359	2,913,265
Total Expenditures	2,157,916	2,175,234	2,099,343	3,146,696	2,724,303
Total Other Financing Sources/Uses	(232,099)	1,392	(35,848)		