

**Marion County, Arkansas**

**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2014**

LEGISLATIVE JOINT AUDITING COMMITTEE

---



MARION COUNTY, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2014

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 – General Fund - Regulatory Basis (Unaudited)	4-1
Schedule of Selected Information for the Last Five Years – Road Fund - Regulatory Basis (Unaudited)	4-2
Schedule of Selected Information for the Last Five Years – Other Funds in the Aggregate - Regulatory Basis (Unaudited)	4-3

# Arkansas

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



**Rep. Mary Broadaway**  
House Chair  
**Rep. Sue Scott**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

Marion 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 Marion County, Arkansas, as of and for the year ended December 31, 2014, 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 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 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 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 Marion County, Arkansas, as of December 31, 2014, or the revenues, expenditures, and changes in net position and where applicable, cash flows, thereof for the year then ended.

**Basis for Qualified Opinions 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 Opinions 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 Marion County, Arkansas, as of December 31, 2014, 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 Ark. Code Ann. § 10-4-412 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 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 December 10, 2015 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  
December 10, 2015  
LOCO04514

# 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 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

Marion 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 Marion County, Arkansas, as of and for the year ended December 31, 2014, and the related notes to the financial statements, and have issued our report thereon dated December 10, 2015. 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 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:

2014-1 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 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 2014:

County Judge: Terry Ott  
Treasurer: Debra Doshier  
Sheriff: Roger Vickers  
Tax Collector: Cathy Brightwell  
County and Circuit Clerk: Dee Carleton  
Assessor: Glenda Treat  
County Librarian: Charlotte Miles  
District Court Clerk: Martha Moore

Our audit procedures indicated that the Offices of **Treasurer, Sheriff, Tax Collector, County and Circuit Clerk, Assessor, County Librarian, and District Court Clerk** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the Office of **County Judge**.

**County Judge**

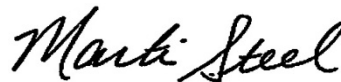
The County discovered \$3,540 in janitorial services that were not performed by Extension Office employee Ashley Giles. Giles, whose employment was terminated on January 6, 2015, was convicted on November 6, 2015, of theft of property (class D felony) and forgery (class C felony) and fined \$5,000 and \$4,000, respectively.

Fixed asset records again were not properly maintained, as required by Ark. Code Ann. § 14-25-106. Numerous equipment purchases were not added to the fixed asset listing and the County could not produce a list of current year disposals.

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  
December 10, 2015

MARION COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2014

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 902,614	\$ 425,971	\$ 1,983,872
Accounts receivable	208,864	38,826	46,584
	<b>\$ 1,111,478</b>	<b>\$ 464,797</b>	<b>\$ 2,030,456</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 38,908	\$ 26,962	\$ 16,169
Settlements pending			429,229
Total Liabilities	38,908	26,962	445,398
<b>Fund Balances:</b>			
Restricted		437,835	1,114,002
Committed	254,915		101,997
Assigned	3,317		369,059
Unassigned	814,338		
Total Fund Balances	1,072,570	437,835	1,585,058
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,111,478</b>	<b>\$ 464,797</b>	<b>\$ 2,030,456</b>

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

MARION COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014

Exhibit B

	General	Road	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 560,464	\$ 1,358,341	\$ 235,043
Federal aid	190,796	12,022	3,146,266
Property taxes	900,868	424,213	157,122
Sales taxes	973,690		
Fines, forfeitures, and costs	161,444		12,758
Interest	1,912	1,293	4,811
Officers' fees	20,933		166,765
Jail fees	62,714		
Sanitation fees	128,741		
Development permits			11,300
911 fees			186,901
Law enforcement services			132,221
Treasurer's commission	88,573		12,205
Collector's commission	128,752		36,574
Taxes apportioned - Assessor's salary and expense	205,822		
Other	130,749	98,821	60,891
<b>TOTAL REVENUES</b>	<b>3,555,458</b>	<b>1,894,690</b>	<b>4,162,857</b>
Less: Treasurer's commission	46,703	26,263	13,614
<b>NET REVENUES</b>	<b>3,508,755</b>	<b>1,868,427</b>	<b>4,149,243</b>
<b>EXPENDITURES</b>			
Current:			
General government	933,080		916,914
Law enforcement	1,556,402		180,635
Highways and streets	386,469	2,082,486	17,799
Public safety	102,938		262,533
Sanitation	314,082		2,665
Health	27,212		930
Recreation and culture	39,623		307,426
Social services	78,928		2,887
Rural water projects			1,924,838
Total Current	3,438,734	2,082,486	3,616,627
Debt Service:			
Lease principal	79,683	120,485	
Lease interest	10,972	23,078	
<b>TOTAL EXPENDITURES</b>	<b>3,529,389</b>	<b>2,226,049</b>	<b>3,616,627</b>



MARION COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (20,634)</u>	<u>\$ (357,622)</u>	<u>\$ 532,616</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	150,920	661,250	35,000
Transfers out	<u>(7,998)</u>	<u>(35,000)</u>	<u>(804,172)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>142,922</u>	<u>626,250</u>	<u>(769,172)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	122,288	268,628	(236,556)
FUND BALANCES - JANUARY 1	<u>950,282</u>	<u>169,207</u>	<u>1,821,614</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 1,072,570</u></u>	<u><u>\$ 437,835</u></u>	<u><u>\$ 1,585,058</u></u>

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

MARION 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, 2014

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 546,672	\$ 560,464	\$ 13,792	\$ 1,279,875	\$ 1,358,341	\$ 78,466
Federal aid		190,796	190,796	632,070	12,022	(620,048)
Property taxes	996,000	900,868	(95,132)	381,074	424,213	43,139
Sales taxes	1,080,000	973,690	(106,310)			
Fines, forfeitures, and costs	185,800	161,444	(24,356)			
Interest		1,912	1,912	330	1,293	963
Officers' fees	29,900	20,933	(8,967)			
Jail fees	51,500	62,714	11,214			
Sanitation fees		128,741	128,741			
Treasurer's commission	85,000	88,573	3,573			
Collector's commission	146,700	128,752	(17,948)			
Taxes apportioned - Assessor's salary and expense	203,500	205,822	2,322			
Other	225,069	130,749	(94,320)	55,026	98,821	43,795
<b>TOTAL REVENUES</b>	<b>3,550,141</b>	<b>3,555,458</b>	<b>5,317</b>	<b>2,348,375</b>	<b>1,894,690</b>	<b>(453,685)</b>
Less: Treasurer's commission		46,703	(46,703)		26,263	(26,263)
<b>NET REVENUES</b>	<b>3,550,141</b>	<b>3,508,755</b>	<b>(41,386)</b>	<b>2,348,375</b>	<b>1,868,427</b>	<b>(479,948)</b>
EXPENDITURES						
Current:						
General government	1,147,717	933,080	214,637			
Law enforcement	1,845,524	1,556,402	289,122			
Highways and streets	400,000	386,469	13,531	2,187,315	2,082,486	104,829
Public safety	140,085	102,938	37,147			
Sanitation	380,585	314,082	66,503			
Health	34,775	27,212	7,563			
Recreation and culture	44,030	39,623	4,407			
Social services	89,457	78,928	10,529			
Total Current	4,082,173	3,438,734	643,439	2,187,315	2,082,486	104,829
Debt Service:						
Lease principal	90,500	79,683	10,817	65,000	120,485	(55,485)
Lease interest	15,000	10,972	4,028	15,000	23,078	(8,078)
<b>TOTAL EXPENDITURES</b>	<b>4,187,673</b>	<b>3,529,389</b>	<b>658,284</b>	<b>2,267,315</b>	<b>2,226,049</b>	<b>41,266</b>

MARION 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, 2014

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (637,532)	\$ (20,634)	\$ 616,898	\$ 81,060	\$ (357,622)	\$ (438,682)
OTHER FINANCING SOURCES (USES)						
Transfers in	28,306	150,920	122,614	332,592	661,250	328,658
Transfers out		(7,998)	(7,998)	(35,000)	(35,000)	
TOTAL OTHER FINANCING SOURCES (USES)	28,306	142,922	114,616	297,592	626,250	328,658
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(609,226)	122,288	731,514	378,652	268,628	(110,024)
FUND BALANCES - JANUARY 1	667,000	950,282	283,282	89,423	169,207	79,784
FUND BALANCES - DECEMBER 31	\$ 57,774	\$ 1,072,570	\$ 1,014,796	\$ 468,075	\$ 437,835	\$ (30,240)

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

MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**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, Sales Tax – Law Enforcement, Sales Tax – Solid Waste, Sales Tax – Fire Department, Sales Tax – County Road, and Drug Fund Restitution.

**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 disaster funds that are restricted or committed for maintaining and constructing roads. The Road Fund heading as it appears in the financial statements includes the following accounts: Road, Quarry Depreciation, and Road Department Special Savings.

**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, Treasurer's Automation, County Building Improvement, Jail Assessment Fees, Breathalyzer, Collector's Automation, Development/Occupancy Permit, Child Support, Boating Safety, Law Enforcement – Federal Emergency Management Agency (FEMA) Grant, Recycling Grant, Public Defender, Commercial Mobile Radio Service (CMRS) 911 Board, Circuit Court Automation, Emergency Vehicle, Planning Board, Juvenile Probation, Corp of Engineers, Disaster, Metro Police Yellville, Courthouse Restoration, Public Safety Answering Point, Assessor's Amendment no. 79, 2009 FEMA Disaster Flooding, Capital Mercury/Marion County Shirt Company, Nursing Home Board, Communications Facilities and Equipment, District Court Automation, Arkansas State Justice Assistance Grant (JAG) Mini Grant, County Library, Fire Equipment and Training (Act 833), Ranger Boat Economic Development (ED) Project, Marion County Economic Development (ED) Generator Project, Voting Machine Grant, Arkansas Economic Development Commission (AEDC) Emergency Shelter Grant, FEMA 1819 – Disaster Relief Arkansas (DRAR) Project 1, Circuit Clerk Commissioner's Fee, FEMA 4143 DRAR 2013 Flooding, FEMA 4160 DRAR Office of Emergency Management (OEM) Disaster Public Assistance, Court Room Security, Arkansas Rural Service General Improvement Fund (GIF1), North West Arkansas Economic Development District (NWAEDD) Community Building Grant, Arkansas State Library General Improvement Fund Grant, and Arkansas Department of Rural Services (ADRS) County Fair Building Grant.

**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: Marion County Water Grant.

MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**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 (Treasurer's Commission, Law Library, Interest Fund, and Yellville Rural Fire), Collector (Current Taxes, Delinquent Taxes, and Credit Card), Sheriff (Fee, Bond and Fine, Circuit Bond, and Seized Property), County and Circuit Clerk (Fee and Trust), County Judge (Transfer Station), District Court (County, Accounts Receivable, and Small Claims) and Juvenile Probation (Fee).

**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, commissions, officer fees, and trust funds that have not been transferred to the appropriate entities.

Fund Balance Classifications

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

**E. Property Taxes**

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

MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**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 Communication Facilities 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.

MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2014 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid		\$ 29,736	\$ 18,860
Sales taxes	\$ 78,584		
Fines, forfeitures, and costs	8,230		1,249
Officers' fees	3,709		11,259
Jail fees	5,920		
Treasurer's commission	88,553		
Sanitation	7,046		
911 fees			6,616
Law enforcement services			8,600
Other	16,822	9,090	
<b>Totals</b>	<b>\$ 208,864</b>	<b>\$ 38,826</b>	<b>\$ 46,584</b>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2014 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 38,908	\$ 26,962	\$ 16,169

**NOTE 6: 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, 2014, the legal debt limit for bonded debt was \$20,255,212. 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, 2014, the legal debt limit for short-term financing obligations was \$5,326,777. The amount of short-term financing obligations was \$1,076,660, leaving a legal debt margin of \$4,250,117.

MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 7: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2014 are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
<u>Fund Balances</u>			
Restricted for:			
General government			\$ 316,840
Law enforcement			156,181
Highways and streets		\$ 437,835	4,631
Public safety			69,391
Recreation and culture			541,126
Sanitation			6,973
Capital outlay			18,860
Total Restricted		<u>437,835</u>	<u>1,114,002</u>
Committed for:			
General government			63,234
Law enforcement	\$ 73,600		38,763
Highways and streets	81,794		
Sanitation	67,938		
Public safety	31,583		
Total Committed	<u>254,915</u>		<u>101,997</u>
Assigned to:			
General government			369,059
Law enforcement	3,317		
Total Assigned	<u>3,317</u>		<u>369,059</u>
Unassigned	<u>814,338</u>		
Totals	<u>\$ 1,072,570</u>	<u>\$ 437,835</u>	<u>\$ 1,585,058</u>

**NOTE 8: Commitments**

Total commitments consist of the following at December 31, 2014:

	December 31, 2014
Long-term liabilities	\$ 1,076,660
Reappraisal contract	<u>267,344</u>
Total Commitments	<u>\$ 1,344,004</u>



MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 8: Commitments (Continued)**

Long-term Liabilities

Long-term liabilities at December 31, 2014 are comprised of the following:

	December 31, 2014
Lease-purchase agreement dated May 30, 2012, with Caterpillar Financial Services in the amount of \$151,450; interest rate of 3.20% for the purchase of a Cat 12M grader. Monthly payments of \$840 for 36 months plus a balloon payment of \$135,840. Payments are to be made from the Road Fund.	\$ 138,265
Lease-purchase agreement in the amount of \$65,937 with Scott Financial Services for the purchase of a backhoe dated July 28, 2012; interest of 5.5%; to be paid in 53 installments of \$1,262 and payments are to be made from the Road Fund.	35,259
Lease-purchase agreement in the amount of \$59,072 with Scott Financial Services for the purchase of a backhoe for the transfer station dated December 5, 2012; interest of 5.75%; to be paid in 60 installments of \$1,138 a month. Payments are to be made from the Sales Tax - Solid Waste account of the General Fund.	37,480
Lease-purchase agreement dated November 13, 2013, with Caterpillar Financial Services in the amount of \$36,026; interest rate of 6.67% for the purchase of a vibratory compactor. Monthly payments of \$800 for 50 months. Payments are to be made from the Road Fund.	26,746
Lease-purchase agreement dated June 13, 2013, with Caterpillar Financial Services in the amount of \$186,945; interest rate of 5.894% for the purchase of a Caterpillar motor grader. Monthly payments of \$1,193 for 36 months plus a balloon payment of \$156,193. Payments are to be made from the Road Fund.	171,443
Lease-purchase agreement dated June 13, 2013, with Caterpillar Financial Services in the amount of \$153,350; interest rate of 6.05% for the purchase of a Caterpillar motor grader. Monthly payments of \$767 for 36 months plus a balloon payment of \$135,767. Payments are to be made from the Road Fund.	144,503
Lease-purchase agreement dated June 13, 2013, with Caterpillar Financial Services in the amount of \$208,158; interest rate of 5.63% for the purchase of a Caterpillar motor grader. Monthly payments of \$1,802 for 36 months plus a balloon payment of \$156,802. Payments are to be made from the Road Fund.	182,233
Lease-purchase agreement dated April 29, 2013, with US Bank Equipment Finance in the amount of \$42,245, interest rate of 5.63% for the purchase of a Caterpillar MDL CB34. Monthly payments of \$740 for 60 months. Payments are to be made from the Road Fund.	28,627
Lease-purchase agreement dated April 29, 2013, with US Bank Equipment Finance in the amount of \$38,800, interest rate of 5.14% for the purchase of a NPK MDL GH 7 hammer. Monthly payments of \$680 for 60 months. Payments are to be made from the Road Fund.	26,293

MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 8: Commitments (Continued)**

	December 31, 2014
Lease-purchase agreement dated December 5, 2012, with Scott Financial Services in the amount of \$79,196 with an interest rate of 5.5% for the purchase of an excavator. Monthly payments of \$1,845 for 48 months. Payments are to be made from the Road Fund.	\$ 41,797
Lease-purchase agreement dated August 30, 2012, with Scott Financial Services in the amount of \$84,107 with an interest rate of 5.50% for the purchase of a backhoe. Monthly payments of \$2,584 for 36 months. Payments are to be made from the Sales Tax Solid Waste account of the General Fund and Recycling Grant Fund.	30,091
Lease-purchase agreement dated April 7, 2013, with Lease Corporation of America in the amount of \$6,279 with interest rate of 10.322% for the purchase of a point of service cash register. Monthly payments of \$204 for 36 months. Payments are to be made from the Sales Tax Solid Waste account of the General Fund.	2,853
Lease-purchase agreement dated August 15, 2012, with First Service Bank in the amount of \$47,250 with interest rate of 2.95% for the purchase of a 2004 Mack truck. Monthly payments of \$849 for 60 months. Payments are to be made from the Road Fund.	26,077
Lease-purchase agreement dated July 11, 2014, with US Bank in the amount of \$196,756 with interest rate of 2.35% for the purchase of a cone crusher. Quarterly payments of \$12,922 for 48 months. Payments are to be made from the Road Fund.	184,993
Total Long-term liabilities	\$1,076,660

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

Compensated Absences

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

Post Employment Benefits Other Than Pensions

The amount of any actuarially determined accrued liability for post employment benefits other than pensions was not determined.

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2014:

Years Ending December 31,	Leases
2015	\$ 358,142
2016	607,637
2017	105,547
2018	44,445
Total Obligations	1,115,771
Less Interest	39,111
Total Principal	\$1,076,660

MARION COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2014

**NOTE 8: Commitments (Continued)**

Reappraisal Contract

On December 20, 2011, the County entered into a contract with Delta Mass Appraisal Services, Inc., for reappraisal services. Terms of the contract require \$11,139 monthly payments for 60 months. The County is obligated for the following amounts for the next two years:

Year	December 31, 2014
2015	\$ 133,672
2016	133,672
Total	\$ 267,344

Reappraisal expense for 2014 was \$133,672.

**NOTE 9: Interfund Transfers**

The General Fund and Other Funds in the Aggregate transferred \$7,998 and \$653,252, respectively, to the Road Fund to reimburse expenditures. The Road Fund transferred \$35,000 to the Other Funds in the Aggregate to reimburse expenditures. The Other Funds in the Aggregate transferred \$113,641 to the General Fund to dissolve the Nursing Home Fund. Additionally, the Other Funds in the Aggregate transferred \$37,279 to the General Fund to reimburse expenditures.

**NOTE 10: Jointly Governed Organization**

Ozark Mountain Solid Waste District

The County is a member of the Ozark Mountain Solid Waste District. The District is a jointly governed organization comprised of representatives from Baxter, Boone, Carroll, Marion, Newton, and Searcy Counties and participating cities within the aforementioned counties. Representatives are the respective county judges and mayors unless some other representative is appointed by the participating entity. No payments were made by the County in 2014.

Fourteenth Judicial Drug Task Force

The Prosecuting Attorney of the Fourteenth Judicial District, the Sheriff's Departments of Baxter, Boone, Marion, and Newton Counties, and the Police Departments of Harrison and Mountain Home entered into an agreement to establish the Fourteenth Judicial Drug Task Force. Funding was provided through a Drug Law Enforcement Program grant applied for by the Prosecuting Attorney of the Fourteenth Judicial District. Financial statements of the Fourteenth Judicial Drug Task Force are not available.

**NOTE 11: 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.

MARION COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 11: Risk Management (Continued)**

Vehicle Program

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

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

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 12: 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](http://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, 2014 were \$395,856.

**NOTE 13: Interlocal Agreement**

Marion County and the City of Yellville entered into an interlocal agreement during 2014 for the purpose of providing law enforcement for the City. The City reimburses the County for the services provided. In 2014, the County received \$102,560 from the City.

MARION COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

SPECIAL REVENUE FUNDS

	Recorder's Cost	Treasurer's Automation	County Building Improvement	Jail Assessment Fees	Breathalyzer	Collector's Automation	Development/ Occupancy Permit	Child Support	Boating Safety
<b>ASSETS</b>									
Cash and cash equivalents	\$ 82,650	\$ 15,566	\$ 375,437	\$ 6,133	\$ 11,413	\$ 108,397	\$ 54,585	\$ 20,941	\$ 18,864
Accounts receivable	9,881			1,008				12	
<b>TOTAL ASSETS</b>	<b>\$ 92,531</b>	<b>\$ 15,566</b>	<b>\$ 375,437</b>	<b>\$ 7,141</b>	<b>\$ 11,413</b>	<b>\$ 108,397</b>	<b>\$ 54,585</b>	<b>\$ 20,953</b>	<b>\$ 18,864</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable		\$ 827	\$ 6,378	\$ 567		\$ 2,230		\$ 390	
Settlements pending									
<b>Total Liabilities</b>		<b>827</b>	<b>6,378</b>	<b>567</b>		<b>2,230</b>		<b>390</b>	
<b>Fund Balances:</b>									
Restricted	\$ 92,531	14,739		6,574	\$ 11,413	106,167		20,563	\$ 18,864
Committed							\$ 54,585		
Assigned			369,059						
<b>Total Fund Balances</b>	<b>92,531</b>	<b>14,739</b>	<b>369,059</b>	<b>6,574</b>	<b>11,413</b>	<b>106,167</b>	<b>54,585</b>	<b>20,563</b>	<b>18,864</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 92,531</b>	<b>\$ 15,566</b>	<b>\$ 375,437</b>	<b>\$ 7,141</b>	<b>\$ 11,413</b>	<b>\$ 108,397</b>	<b>\$ 54,585</b>	<b>\$ 20,953</b>	<b>\$ 18,864</b>

MARION COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

SPECIAL REVENUE FUNDS									
	Law Enforcement - Federal Emergency Management Agency (FEMA) Grant	Recycling Grant	Public Defender	Commercial Mobile Radio Service (CMRS) 911 Board	Circuit Court Automation	Emergency Vehicle	Planning Board	Juvenile Probation	Corp of Engineers
<b>ASSETS</b>									
Cash and cash equivalents	\$ 1,820	\$ 6,973	\$ 31,445	\$ 5,599	\$ 30,187	\$ 7,143	\$ 8,649	\$ 6,305	\$ 313
Accounts receivable				6,616	803	318		358	
<b>TOTAL ASSETS</b>	<b>\$ 1,820</b>	<b>\$ 6,973</b>	<b>\$ 31,445</b>	<b>\$ 12,215</b>	<b>\$ 30,990</b>	<b>\$ 7,461</b>	<b>\$ 8,649</b>	<b>\$ 6,663</b>	<b>\$ 313</b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable			\$ 436	\$ 92	\$ 121				
Settlements pending									
Total Liabilities			436	92	121				
Fund Balances:									
Restricted	\$ 1,820	\$ 6,973	31,009	12,123	30,869	\$ 7,461		\$ 6,663	\$ 313
Committed							\$ 8,649		
Assigned									
Total Fund Balances	1,820	6,973	31,009	12,123	30,869	7,461	8,649	6,663	313
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,820</b>	<b>\$ 6,973</b>	<b>\$ 31,445</b>	<b>\$ 12,215</b>	<b>\$ 30,990</b>	<b>\$ 7,461</b>	<b>\$ 8,649</b>	<b>\$ 6,663</b>	<b>\$ 313</b>

MARION COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

SPECIAL REVENUE FUNDS

	Disaster	Metro Police Yellville	Courthouse Restoration	Public Safety Answering Point	Assessor's Amendment no. 79	Capital Mercury/Marion County Shirt Company	Communications Facilities and Equipment	District Court Automation	Arkansas State Justice Assistance Grant (JAG) Mini Grant
<b>ASSETS</b>									
Cash and cash equivalents	\$ 616	\$ 31,663	\$ 11	\$ 49,144	\$ 7,735	\$ 59,693	\$ 31,086	\$ 14,614	\$ 2,828
Accounts receivable		8,600						128	
<b>TOTAL ASSETS</b>	<b>\$ 616</b>	<b>\$ 40,263</b>	<b>\$ 11</b>	<b>\$ 49,144</b>	<b>\$ 7,735</b>	<b>\$ 59,693</b>	<b>\$ 31,086</b>	<b>\$ 14,742</b>	<b>\$ 2,828</b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable		\$ 1,500							
Settlements pending									
Total Liabilities		1,500							
Fund Balances:									
Restricted	\$ 616		\$ 11	\$ 49,144	\$ 7,735	\$ 59,693	\$ 31,086	\$ 14,742	\$ 2,828
Committed		38,763							
Assigned									
Total Fund Balances	616	38,763	11	49,144	7,735	59,693	31,086	14,742	2,828
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 616</b>	<b>\$ 40,263</b>	<b>\$ 11</b>	<b>\$ 49,144</b>	<b>\$ 7,735</b>	<b>\$ 59,693</b>	<b>\$ 31,086</b>	<b>\$ 14,742</b>	<b>\$ 2,828</b>

MARION COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND
	County Library	Voting Machine Grant	Arkansas Economic Development Commission (AEDC) Emergency Shelter Grant	FEMA 1819 - Disaster Relief Arkansas (DRAR) Project 1	Circuit Clerk Commissioner's Fee	Marion County Water Grant
<b>ASSETS</b>						
Cash and cash equivalents	\$ 544,754	\$ 15,379	\$ 47	\$ 4,631	\$ 22	
Accounts receivable						\$ 18,860
<b>TOTAL ASSETS</b>	<b>\$ 544,754</b>	<b>\$ 15,379</b>	<b>\$ 47</b>	<b>\$ 4,631</b>	<b>\$ 22</b>	<b>\$ 18,860</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 3,628					
Settlements pending						
<b>Total Liabilities</b>	<b>3,628</b>					
Fund Balances:						
Restricted	541,126	\$ 15,379	\$ 47	\$ 4,631	\$ 22	\$ 18,860
Committed						
Assigned						
<b>Total Fund Balances</b>	<b>541,126</b>	<b>15,379</b>	<b>47</b>	<b>4,631</b>	<b>22</b>	<b>18,860</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 544,754</b>	<b>\$ 15,379</b>	<b>\$ 47</b>	<b>\$ 4,631</b>	<b>\$ 22</b>	<b>\$ 18,860</b>



MARION COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

AGENCY FUNDS

	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Judge's Accounts	County and Circuit Clerk's Accounts	District Court Accounts	Juvenile Probation	Totals
<b>ASSETS</b>								
Cash and cash equivalents	\$ 163,439	\$ 114,985	\$ 42,120	\$ 94,765	\$ 8,108	\$ 3,189	\$ 2,623	\$ 1,983,872
Accounts receivable								46,584
<b>TOTAL ASSETS</b>	<b>\$ 163,439</b>	<b>\$ 114,985</b>	<b>\$ 42,120</b>	<b>\$ 94,765</b>	<b>\$ 8,108</b>	<b>\$ 3,189</b>	<b>\$ 2,623</b>	<b>\$ 2,030,456</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable								\$ 16,169
Settlements pending	\$ 163,439	\$ 114,985	\$ 42,120	\$ 94,765	\$ 8,108	\$ 3,189	\$ 2,623	429,229
<b>Total Liabilities</b>	<b>163,439</b>	<b>114,985</b>	<b>42,120</b>	<b>94,765</b>	<b>8,108</b>	<b>3,189</b>	<b>2,623</b>	<b>445,398</b>
<b>Fund Balances:</b>								
Restricted								1,114,002
Committed								101,997
Assigned								369,059
<b>Total Fund Balances</b>								<b>1,585,058</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 163,439</b>	<b>\$ 114,985</b>	<b>\$ 42,120</b>	<b>\$ 94,765</b>	<b>\$ 8,108</b>	<b>\$ 3,189</b>	<b>\$ 2,623</b>	<b>\$ 2,030,456</b>

MARION 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, 2014

Schedule 2

	SPECIAL REVENUE FUNDS								
	Recorder's Cost	Treasurer's Automation	County Building Improvement	Jail Assessment Fees	Breathalyzer	Collector's Automation	Development/ Occupancy Permit	Child Support	Boating Safety
REVENUES									
State aid									\$ 3,861
Federal aid									
Property taxes									
Fines, forfeitures, and costs					\$ 1,362				
Interest	\$ 538	\$ 62	\$ 1,195	\$ 21	35	\$ 325	\$ 172	\$ 67	54
Officers' fees	121,793			16,039				1,392	
Development permits							11,300		
911 fees									
Law enforcement services									
Treasurer's commission		12,205							
Collector's commission						36,574			
Other	878		51,683	92	8	219	74	11	24
<b>TOTAL REVENUES</b>	<b>123,209</b>	<b>12,267</b>	<b>52,878</b>	<b>16,152</b>	<b>1,405</b>	<b>37,118</b>	<b>11,546</b>	<b>1,470</b>	<b>3,939</b>
Less: Treasurer's commission	2,432	23		322	27	732	226	30	77
<b>NET REVENUES</b>	<b>120,777</b>	<b>12,244</b>	<b>52,878</b>	<b>15,830</b>	<b>1,378</b>	<b>36,386</b>	<b>11,320</b>	<b>1,440</b>	<b>3,862</b>
EXPENDITURES									
Current:									
General government	257,760	14,540	58,419			30,424	6,490	558	
Law enforcement				10,128	200				523
Highways and streets									
Public safety									
Sanitation									
Health									
Recreation and culture			49,614						
Social services			2,887						
Rural water projects									
<b>TOTAL EXPENDITURES</b>	<b>257,760</b>	<b>14,540</b>	<b>110,920</b>	<b>10,128</b>	<b>200</b>	<b>30,424</b>	<b>6,490</b>	<b>558</b>	<b>523</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(136,983)	(2,296)	(58,042)	5,702	1,178	5,962	4,830	882	3,339
OTHER FINANCING SOURCES (USES)									
Transfers in			35,000						
Transfers out						(17,890)			
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			<b>35,000</b>			<b>(17,890)</b>			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(136,983)	(2,296)	(23,042)	5,702	1,178	(11,928)	4,830	882	3,339
FUND BALANCES - JANUARY 1	229,514	17,035	392,101	872	10,235	118,095	49,755	19,681	15,525
FUND BALANCES - DECEMBER 31	<u>\$ 92,531</u>	<u>\$ 14,739</u>	<u>\$ 369,059</u>	<u>\$ 6,574</u>	<u>\$ 11,413</u>	<u>\$ 106,167</u>	<u>\$ 54,585</u>	<u>\$ 20,563</u>	<u>\$ 18,864</u>

MARION 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, 2014

Schedule 2

	SPECIAL REVENUE FUNDS								
	Law Enforcement - Federal Emergency Management Agency (FEMA) Grant	Recycling Grant	Public Defender	Commercial Mobile Radio Service (CMRS) 911 Board	Circuit Court Automation	Emergency Vehicle	Planning Board	Juvenile Probation	Corp of Engineers
REVENUES									
State aid		\$ 1,000	\$ 5,346						
Federal aid									
Property taxes									
Fines, forfeitures, and costs					\$ 7,912	\$ 564	\$ 28		
Interest			97	\$ 20	147	23	1	\$ 34	\$ 6
Officers' fees								4,815	10,800
Development permits									
911 fees				52,689					
Law enforcement services									
Treasurer's commission									
Collector's commission									
Other			45	421	8	10		36	116
<b>TOTAL REVENUES</b>		<b>1,000</b>	<b>5,488</b>	<b>53,130</b>	<b>8,067</b>	<b>597</b>	<b>29</b>	<b>4,885</b>	<b>10,922</b>
Less: Treasurer's commission			68	1,113	118	5	2	97	216
<b>NET REVENUES</b>		<b>1,000</b>	<b>5,420</b>	<b>52,017</b>	<b>7,949</b>	<b>592</b>	<b>27</b>	<b>4,788</b>	<b>10,706</b>
EXPENDITURES									
Current:									
General government									
Law enforcement			3,017		1,064			5,925	10,572
Highways and streets									
Public safety				51,827					
Sanitation		2,665							
Health									
Recreation and culture									
Social services									
Rural water projects									
<b>TOTAL EXPENDITURES</b>		<b>2,665</b>	<b>3,017</b>	<b>51,827</b>	<b>1,064</b>			<b>5,925</b>	<b>10,572</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(1,665)	2,403	190	6,885	592	27	(1,137)	134
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out		(3,522)		(692)				(3,410)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>(3,522)</b>		<b>(692)</b>				<b>(3,410)</b>	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		(5,187)	2,403	(502)	6,885	592	27	(4,547)	134
FUND BALANCES - JANUARY 1	\$ 1,820	12,160	28,606	12,625	23,984	6,869	8,622	11,210	179
FUND BALANCES - DECEMBER 31	<u>\$ 1,820</u>	<u>\$ 6,973</u>	<u>\$ 31,009</u>	<u>\$ 12,123</u>	<u>\$ 30,869</u>	<u>\$ 7,461</u>	<u>\$ 8,649</u>	<u>\$ 6,663</u>	<u>\$ 313</u>

MARION 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, 2014

Schedule 2

	SPECIAL REVENUE FUNDS								
	Disaster	Metro Police Yellville	Courthouse Restoration	Public Safety Answering Point	Assessor's Amendment no. 79	2009 FEMA Disaster Flooding	Capital Mercury/Marion County Shirt Company	Nursing Home Board	Communications Facilities and Equipment
REVENUES									
State aid					\$ 2,450				
Federal aid						\$ 96,371			
Property taxes									
Fines, forfeitures, and costs									
Interest		\$ 92		\$ 118	24			\$ 34	
Officers' fees									\$ 11,926
Development permits									
911 fees				134,212					
Law enforcement services		132,221							
Treasurer's commission									
Collector's commission									
Other		1,183		422	16				
<b>TOTAL REVENUES</b>		<b>133,496</b>		<b>134,752</b>	<b>2,490</b>	<b>96,371</b>		<b>34</b>	<b>11,926</b>
Less: Treasurer's commission		2,641		2,311	49				
<b>NET REVENUES</b>		<b>130,855</b>		<b>132,441</b>	<b>2,441</b>	<b>96,371</b>		<b>34</b>	<b>11,926</b>
EXPENDITURES									
Current:									
General government									
Law enforcement		123,132							10,849
Highways and streets									
Public safety				103,194					
Sanitation									
Health							930		
Recreation and culture									
Social services									
Rural water projects									
<b>TOTAL EXPENDITURES</b>		<b>123,132</b>		<b>103,194</b>				<b>930</b>	<b>10,849</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		7,723		29,247	2,441	96,371		(896)	1,077
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out		(3,000)				(96,372)		(113,641)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>(3,000)</b>				<b>(96,372)</b>		<b>(113,641)</b>	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		4,723		29,247	2,441	(1)		(114,537)	1,077
FUND BALANCES - JANUARY 1	\$ 616	34,040	\$ 11	19,897	5,294	1	\$ 59,693	114,537	30,009
FUND BALANCES - DECEMBER 31	<u>\$ 616</u>	<u>\$ 38,763</u>	<u>\$ 11</u>	<u>\$ 49,144</u>	<u>\$ 7,735</u>	<u>\$ 0</u>	<u>\$ 59,693</u>	<u>\$ 0</u>	<u>\$ 31,086</u>

MARION 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, 2014

Schedule 2

	SPECIAL REVENUE FUNDS							
	District Court Automation	Arkansas State Justice Assistance Grant (JAG) Mini Grant	County Library	Fire Equipment and Training (Act 833)	Ranger Boat Economic Development (ED) Project	Marion County Economic Development (ED) Generator Project	Voting Machine Grant	Arkansas Economic Development Commission (AEDC) Emergency Shelter Grant
REVENUES								
State aid			\$ 33,939	\$ 95,751			\$ 15,379	\$ 11,800
Federal aid					\$ 460,120	\$ 72,672		
Property taxes			157,122					
Fines, forfeitures, and costs	\$ 2,892							
Interest	43		1,703					
Officers' fees								
Development permits								
911 fees								
Law enforcement services								
Treasurer's commission								
Collector's commission								
Other	22		5,601					
<b>TOTAL REVENUES</b>	<b>2,957</b>		<b>198,365</b>	<b>95,751</b>	<b>460,120</b>	<b>72,672</b>	<b>15,379</b>	<b>11,800</b>
Less: Treasurer's commission	60		3,065					
<b>NET REVENUES</b>	<b>2,897</b>		<b>195,300</b>	<b>95,751</b>	<b>460,120</b>	<b>72,672</b>	<b>15,379</b>	<b>11,800</b>
EXPENDITURES								
Current:								
General government					460,212	72,811	5,700	
Law enforcement	230							
Highways and streets								
Public safety				95,751				11,761
Sanitation								
Health								
Recreation and culture			205,490					
Social services								
Rural water projects								
<b>TOTAL EXPENDITURES</b>	<b>230</b>		<b>205,490</b>	<b>95,751</b>	<b>460,212</b>	<b>72,811</b>	<b>5,700</b>	<b>11,761</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,667</b>		<b>(10,190)</b>		<b>(92)</b>	<b>(139)</b>	<b>9,679</b>	<b>39</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>2,667</b>		<b>(10,190)</b>		<b>(92)</b>	<b>(139)</b>	<b>9,679</b>	<b>39</b>
FUND BALANCES - JANUARY 1	12,075	\$ 2,828	551,316		92	139	5,700	8
FUND BALANCES - DECEMBER 31	<u>\$ 14,742</u>	<u>\$ 2,828</u>	<u>\$ 541,126</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 15,379</u>	<u>\$ 47</u>

MARION 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, 2014

Schedule 2

	SPECIAL REVENUE FUNDS						
	FEMA 1819 - Disaster Relief Arkansas (DRAR) Project 1	Circuit Clerk Commissioner's Fee	FEMA 4143 DRAR 2013 Flooding	FEMA 4160 DRAR Office of Emergency Management (OEM) Disaster Public Assistance	Court Room Security	Arkansas Rural Service General Improvement Fund (GIF1)	North West Arkansas Economic Development District (NWAEDD) Community Building Grant
REVENUES							
State aid							
Federal aid			\$ 556,879	\$ 8,766	\$ 14,995	\$ 10,000	\$ 45,946
Property taxes							
Fines, forfeitures, and costs							
Interest							
Officers' fees							
Development permits							
911 fees							
Law enforcement services							
Treasurer's commission							
Collector's commission							
Other		\$ 22					
<b>TOTAL REVENUES</b>		<b>22</b>	<b>556,879</b>	<b>8,766</b>	<b>14,995</b>	<b>10,000</b>	<b>45,946</b>
Less: Treasurer's commission							
<b>NET REVENUES</b>		<b>22</b>	<b>556,879</b>	<b>8,766</b>	<b>14,995</b>	<b>10,000</b>	<b>45,946</b>
EXPENDITURES							
Current:							
General government						10,000	
Law enforcement					14,995		
Highways and streets	\$ 17,799						
Public safety							
Sanitation							
Health							
Recreation and culture							45,946
Social services							
Rural water projects							
<b>TOTAL EXPENDITURES</b>	<b>17,799</b>				<b>14,995</b>	<b>10,000</b>	<b>45,946</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(17,799)	22	556,879	8,766			
OTHER FINANCING SOURCES (USES)							
Transfers in							
Transfers out			(556,879)	(8,766)			
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			<b>(556,879)</b>	<b>(8,766)</b>			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(17,799)	22					
FUND BALANCES - JANUARY 1	22,430						
FUND BALANCES - DECEMBER 31	\$ 4,631	\$ 22	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

MARION 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, 2014

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUND	Totals
	Arkansas State Library General Improvement Fund Grant	Arkansas Department of Rural Services (ADRS) County Fair Building Grant	Marion County Water Grant	
REVENUES				
State aid	\$ 2,376	\$ 4,000		\$ 235,043
Federal aid			\$ 1,939,658	3,146,266
Property taxes				157,122
Fines, forfeitures, and costs				12,758
Interest				4,811
Officers' fees				166,765
Development permits				11,300
911 fees				186,901
Law enforcement services				132,221
Treasurer's commission				12,205
Collector's commission				36,574
Other				60,891
<b>TOTAL REVENUES</b>	<b>2,376</b>	<b>4,000</b>	<b>1,939,658</b>	<b>4,162,857</b>
Less: Treasurer's commission				13,614
<b>NET REVENUES</b>	<b>2,376</b>	<b>4,000</b>	<b>1,939,658</b>	<b>4,149,243</b>
EXPENDITURES				
Current:				
General government				916,914
Law enforcement				180,635
Highways and streets				17,799
Public safety				262,533
Sanitation				2,665
Health				930
Recreation and culture	2,376	4,000		307,426
Social services				2,887
Rural water projects			1,924,838	1,924,838
<b>TOTAL EXPENDITURES</b>	<b>2,376</b>	<b>4,000</b>	<b>1,924,838</b>	<b>3,616,627</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			14,820	532,616
OTHER FINANCING SOURCES (USES)				
Transfers in				35,000
Transfers out				(804,172)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>				<b>(769,172)</b>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES			14,820	(236,556)
FUND BALANCES - JANUARY 1			4,040	1,821,614
FUND BALANCES - DECEMBER 31	\$ 0	\$ 0	\$ 18,860	\$ 1,585,058

MARION COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
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.
County Building Improvement	Marion County Ordinance no. 2006-54 (December 12, 2006) established fund to receive funds to be used for building repair and improvements.
Jail Assessment Fees	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.
Breathalyzer	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for maintaining and purchasing breathalyzer equipment.
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.
Development/Occupancy Permit	Marion County Ordinance no. 2003-12 (April 9, 2003) established fund to account for fees received for building and occupancy permits.
Child Support	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's office.
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.
Law Enforcement - Federal Emergency Management Agency (FEMA) Grant	Established to account for federal grant funds received for disaster relief from the Federal Emergency Management Agency for law enforcement.



MARION COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
Recycling Grant	Established to account for state and federal grants from the Arkansas Department of Environmental Quality and fees received to create and operate a recycling program.
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.
Commercial Mobile Radio Service (CMRS) 911 Board	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
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.
Emergency Vehicle	Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.
Planning Board	Marion County Ordinance no. 80-008 (September 10, 1980) established fund to account for fees generated by building and related permits required by Marion County.
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.
Corp of Engineers	Established to account for federal funds received from the Corp of Engineers for their contract with Marion County to patrol the waterways.
Disaster	Marion County Ordinance no. 2003-008 (March 12, 2003) established fund to account for state and federal disaster relief grants.
Metro Police Yellville	Marion County Ordinance no. 97-59 (September 25, 1997) established fund to account for monies received from the City of Yellville for the metropolitan branch of the Marion County Sheriff's Office.
Courthouse Restoration	Established to maintain building restoration grants from Arkansas Historical Society to renovate courthouse.

MARION COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
Public Safety Answering Point	Ark. Code Ann. § 12-10-305 established fund to be used to provide an answering system for emergency calls.
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.
2009 FEMA Disaster Flooding	Established to account for federal grant funds received for disaster relief from the Federal Emergency Management Agency.
Capital Mercury/Marion County Shirt Company	Lease agreement established fund to account for local funds used to repair the roof of a county owned building.
Nursing Home Board	Established to account for revenue set aside for nursing home maintenance. This fund was closed in 2014.
Communications Facilities 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.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
Arkansas State Justice Assistance Grant (JAG) Mini Grant	Established to account for federal grant funds received for the benefit of the Marion County Sheriff's Office.
County 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.
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.
Ranger Boat Economic Development (ED) Project	Established to account for funds from the Federal Community Development Block Grant to be disbursed to Ranger Boats for economic development.

MARION COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
Marion County Economic Development (ED) Generator Project	Established for federal grant funds received for installation of a generator at Bull Shoals water plant.
Voting Machine 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.
Arkansas Economic Development Commission (AEDC) Emergency Shelter Grant	Established to account for federal grants received for an emergency shelter at the County fairgrounds.
FEMA 1819 - Disaster Relief Arkansas (DRAR) Project 1	Established to account for Federal Emergency Management Agency (FEMA) grant received for road repairs.
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.
FEMA 4143 DRAR 2013 Flooding	Established to account for Federal Emergency Management Agency (FEMA) grant received for road repairs.
FEMA 4160 DRAR Office of Emergency Management (OEM) Disaster Public Assistance	Established to account for Federal Emergency Management Agency (FEMA) grant received for repairs to fairgrounds.
Court Room Security	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.
Arkansas Rural Service General Improvement Fund (GIF1)	Established for state grants funds received for courthouse renovation.

MARION COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
North West Arkansas Economic Development District (NWAEDD) Community Building Grant	Established to account for General Improvement state funds (passed through North West Arkansas Economic Development District) received for fair ground buildings.
Arkansas State Library General Improvement Fund Grant	Established to account for General Improvement state funds received for library renovations.
Arkansas Department of Rural Services (ADRS) County Fair Building Grant	Established for state grants funds received for fair buildings renovation.
Marion County Water Grant	Established for federal grant funds received for the Baxter-Marion water projects at Oakland and Promise Land.

Treasurer's accounts consist primarily of Treasurer's commission and funds held for other agencies.  
 Collector's accounts consist primarily of delinquent taxes not yet distributed to the various taxing units.  
 Sheriff's accounts consist primarily of bonds, fines, and fees due to other agencies.  
 County Judge's account consists of sanitation fees not yet remitted to the Treasurer.  
 County and Circuit Clerk's accounts consist primarily of trust money awaiting disposition by applicable court and fee money to be settled with Treasurer.  
 District Court accounts consist primarily of fines and costs not yet distributed to the county and/or state.  
 Juvenile Probation account consists primarily of fees not yet distributed to County.

MARION COUNTY, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2014  
(Unaudited)

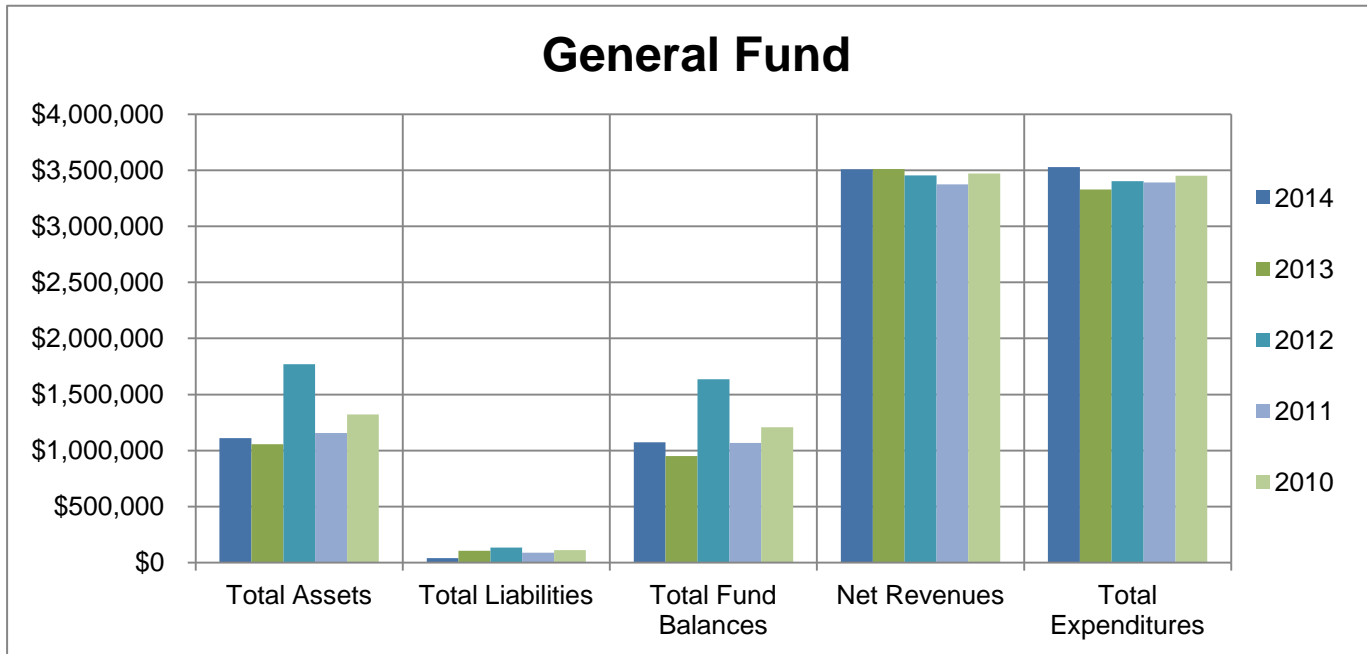
Schedule 3

	<u>December 31, 2014</u>
Land	\$ 455,363
Buildings	4,636,249
Equipment	<u>4,509,717</u>
Total	<u>\$ 9,601,329</u>

MARION COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
 DECEMBER 31, 2014  
 (Unaudited)

Schedule 4-1

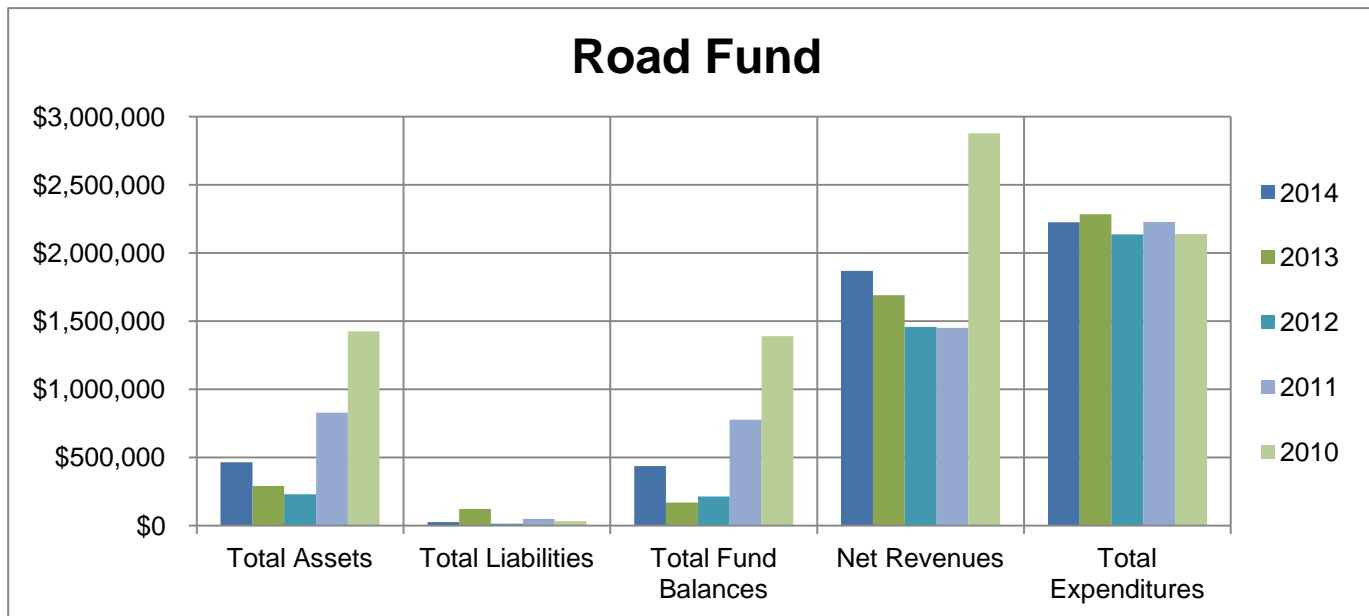
<b>General</b>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Assets	\$ 1,111,478	\$ 1,055,973	\$ 1,769,978	\$ 1,157,255	\$ 1,320,715
Total Liabilities	38,908	105,691	133,185	88,673	112,217
Total Fund Balances	1,072,570	950,282	1,636,793	1,068,582	1,208,498
Net Revenues	3,508,755	3,512,304	3,453,282	3,373,077	3,472,974
Total Expenditures	3,529,389	3,329,795	3,402,467	3,391,721	3,450,798
Total Other Financing Sources/Uses	142,922	(869,020)	575,664	(121,272)	(54,560)



MARION COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
 DECEMBER 31, 2014  
 (Unaudited)

Schedule 4-2

<u>Road</u>	2014	2013	2012	2011	2010
Total Assets	\$ 464,797	\$ 292,416	\$ 229,811	\$ 829,151	\$ 1,424,360
Total Liabilities	26,962	123,209	14,729	51,282	33,425
Total Fund Balances	437,835	169,207	215,082	777,869	1,390,935
Net Revenues	1,868,427	1,691,070	1,457,468	1,450,796	2,877,250
Total Expenditures	2,226,049	2,283,418	2,137,286	2,228,862	2,138,345
Total Other Financing Sources/Uses	626,250	546,473	189,497	165,000	66,181



MARION COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
 DECEMBER 31, 2014  
 (Unaudited)

Schedule 4-3

<b><u>Other Funds in the Aggregate</u></b>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Assets	\$ 2,030,456	\$ 2,198,760	\$ 1,988,826	\$ 2,116,367	\$ 2,316,123
Total Liabilities	445,398	377,146	367,991	361,816	388,329
Total Fund Balances	1,585,058	1,821,614	1,620,835	1,754,551	1,927,794
Net Revenues	4,149,243	2,713,252	97,332	932,472	1,509,089
Total Expenditures	3,616,627	2,900,237	1,075,887	1,061,987	1,242,060
Total Other Financing Sources/Uses	(769,172)	374,675	(15,161)	(43,728)	(11,621)

