

Miller County, Arkansas
Regulatory Basis Financial Statements
and Other Reports

December 31, 2014

LEGISLATIVE JOINT AUDITING COMMITTEE



MILLER 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 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

INDEPENDENT AUDITOR'S REPORT

Miller 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 Miller 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 Miller 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 Miller 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 March 8, 2016, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas
March 8, 2016
LOCO04614

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

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

Miller 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 Miller 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 March 8, 2016. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The 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. 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 certain deficiencies in internal control that we consider to be material weaknesses.

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 deficiencies to be material weaknesses:

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.

2014-2 Arkansas Code requires County management to maintain financial records. The financial records contained omissions/errors that are considered material as enumerated below:

General Fund financial records contained misstatements in revenues of \$1,766,921, due to classification errors.

Other Funds in the Aggregate contained misstatements in assets, liabilities, fund balance, revenues, and expenditures of \$53,272, \$18,375, \$34,897, \$320,543, and \$15,599, respectively. These misstatements were due to unrecorded accounts receivable and accounts payable, classification errors, and posting errors.

The effect of these omissions/errors constitutes a significant control deficiency in the process of preparing financial statements. County management should implement procedures to ensure that financial records are properly prepared. A similar finding was issued in the prior report.

The **Treasurer** and **County Clerk** concurred with the above recommendation and approved the appropriate entries to the County's financial records.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the Internal Control over Financial Reporting section as item 2014-2.

Entity's Response to Findings

The County's response to the findings 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: Larry Burgess
Treasurer: Danny Lewis
Sheriff: Ron Stovall
Tax Collector: Melissa Barnes (resigned February 6, 2014)
Mary Kay Hicks (appointed February 6, 2014)
County Clerk: Ann Nicholas
Circuit Clerk: Mary Pankey
Assessor: Mary Stuart
District Court Clerk: Debbie Thornell (retired November 21, 2014)
Carol Devaney (hired December 1, 2014)
Adult Probation Officer: Regina West
Juvenile Probation Officer: Abdul Razaq

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

The following Information System weaknesses were discovered during a review of computers:

Treasurer

Management had no process to periodically review and approve data changes and deletions. Without adequate supervisory oversight of changes to information, erroneous or unauthorized transactions are less likely to be detected.

Assessor

There was no documented remote access security policy. Failure to establish and communicate an adequate remote access security policy could result in the unnecessary exposure or misuse of information resources.

There was no formally documented and approved Disaster Recovery Plan. This situation could cause the entity to be without computer processing for an extended period of time in the event of a disaster or major interruption and could place undue financial and personnel burdens on the resources of the entity.

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

A handwritten signature in black ink that reads "Marti Steel". The signature is written in a cursive, flowing style.

Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
March 8, 2016

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

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 3,617,172	\$ 900,677	\$ 3,434,974
Accounts receivable	228,355	124,425	559,915
Interfund receivables	7,500		
	<u>3,853,027</u>	<u>1,025,102</u>	<u>3,994,889</u>
TOTAL ASSETS	\$ 3,853,027	\$ 1,025,102	\$ 3,994,889
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 147,235	\$ 39,469	\$ 281,981
Interfund payables			7,500
Settlements pending	754,120		1,645,770
Total Liabilities	<u>901,355</u>	<u>39,469</u>	<u>1,935,251</u>
Fund Balances: (Note 8)			
Restricted		985,633	1,683,291
Committed	2,146		108,313
Assigned			268,034
Unassigned	2,949,526		
Total Fund Balances	<u>2,951,672</u>	<u>985,633</u>	<u>2,059,638</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,853,027	\$ 1,025,102	\$ 3,994,889

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

MILLER 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
REVENUES			
State aid	\$ 780,206	\$ 1,837,670	\$ 514,070
Federal aid	86,443		416,227
Property taxes	2,213,676	117,979	99,800
Sales taxes	1,192,023	1,192,023	1,563,398
Fines, forfeitures, and costs	725,811		332,952
Interest	12,992	2,591	3,098
Officers' fees	232,726		379,702
Phone commission			105,266
Jail fees	261,310		922,527
911 surcharges			171,985
Treasurer's commission	216,751		36,019
Collector's commission	264,490		94,946
Taxes apportioned - Assessor's salary and expense	378,596		
Other	376,644	78,044	87,003
TOTAL REVENUES	6,741,668	3,228,307	4,726,993
Less: Treasurer's commission	93,058	40,408	35,212
NET REVENUES	6,648,610	3,187,899	4,691,781
EXPENDITURES			
Current:			
General government	2,166,539		1,153,475
Law enforcement	3,939,959		3,284,238
Highways and streets		2,932,855	42,430
Public safety	105,905		475,087
Health	75,012		
Recreation and culture			34,730
Social services	97,422		
Total Current	6,384,837	2,932,855	4,989,960
Debt Service:			
Lease principal	10,910		
Lease interest	452		
Note principal			3,120
TOTAL EXPENDITURES	6,396,199	2,932,855	4,993,080

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

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 252,411	\$ 255,044	\$ (301,299)
OTHER FINANCING SOURCES (USES)			
Transfers in	224,905		443,294
Transfers out	(443,294)		(224,905)
TOTAL OTHER FINANCING SOURCES (USES)	(218,389)		218,389
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	34,022	255,044	(82,910)
FUND BALANCES - JANUARY 1	2,917,650	730,589	2,142,548
FUND BALANCES - DECEMBER 31	\$ 2,951,672	\$ 985,633	\$ 2,059,638

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

MILLER 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	\$ 696,854	\$ 780,206	\$ 83,352	\$ 1,892,504	\$ 1,837,670	\$ (54,834)
Federal aid	34,583	86,443	51,860			
Property taxes	1,785,880	2,213,676	427,796	154,720	117,979	(36,741)
Sales taxes	1,350,000	1,192,023	(157,977)	1,087,500	1,192,023	104,523
Fines, forfeitures, and costs	755,133	725,811	(29,322)			
Interest	7,000	12,992	5,992	700	2,591	1,891
Officers' fees	215,540	232,726	17,186			
Jail fees	162,000	261,310	99,310			
Treasurer's commission	317,000	216,751	(100,249)			
Collector's commission	828,500	264,490	(564,010)			
Taxes apportioned - Assessor's salary and expense	500,000	378,596	(121,404)			
Other	433,867	376,644	(57,223)	62,100	78,044	15,944
TOTAL REVENUES	7,086,357	6,741,668	(344,689)	3,197,524	3,228,307	30,783
Less: Treasurer's commission		93,058	(93,058)		40,408	(40,408)
NET REVENUES	7,086,357	6,648,610	(437,747)	3,197,524	3,187,899	(9,625)
EXPENDITURES						
Current:						
General government	2,541,219	2,166,539	374,680			
Law enforcement	4,397,021	3,939,959	457,062			
Highways and streets				3,275,401	2,932,855	342,546
Public safety	119,157	105,905	13,252			
Health	76,702	75,012	1,690			
Social services	100,456	97,422	3,034			
Total Current	7,234,555	6,384,837	849,718	3,275,401	2,932,855	342,546
Debt Service:						
Lease principal		10,910	(10,910)			
Lease interest		452	(452)			
TOTAL EXPENDITURES	7,234,555	6,396,199	838,356	3,275,401	2,932,855	342,546

MILLER 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	\$ (148,198)	\$ 252,411	\$ 400,609	\$ (77,877)	\$ 255,044	\$ 332,921
OTHER FINANCING SOURCES (USES)						
Transfers in	246,880	224,905	(21,975)			
Transfers out	(756,500)	(443,294)	313,206			
TOTAL OTHER FINANCING SOURCES (USES)	(509,620)	(218,389)	291,231			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(657,818)	34,022	691,840	(77,877)	255,044	332,921
FUND BALANCES - JANUARY 1	1,284,867	2,917,650	1,632,783	200,000	730,589	530,589
FUND BALANCES - DECEMBER 31	<u>\$ 627,049</u>	<u>\$ 2,951,672</u>	<u>\$ 2,324,623</u>	<u>\$ 122,123</u>	<u>\$ 985,633</u>	<u>\$ 863,510</u>

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

MILLER 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, Assessor's Salary and Expense, Treasurer's Commission, Collector's Commission, and Drug Enforcement.

Road Fund - The Road Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Road Fund accounts for and reports proceeds of state highway turnback, property taxes, and sales taxes that are restricted or committed for maintaining and constructing roads.

Other Funds in the Aggregate - Other Funds in the Aggregate consist of all funds included in the financial statements except for the General and Road Funds. The following types of funds are included in this column as follows:

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following Special Revenue Funds are reported with other funds in the aggregate: Treasurer's Automation, Collector's Automation, Circuit Court Automation, District Court Automation, Assessor's Property Tax Relief, County Clerk's Automation, County Recorder's Cost, Support Collection Costs, Drug Control, Jail Maintenance and Operation, Emergency Rescue, CMRS 911 Board (Commercial Mobile Radio Service), No Liability Insurance, Indigent Defense, Victim/Witness, Drug Court, Public Safety, Juvenile Probation Fees, Criminal Justice, Voting System Grant, Circuit Clerk Commissioner's Fee, Capital Improvement, Smith Park, Rural Fire, Fire Equipment and Training (Act 833), Miller County Volunteer Fire Department Association, Mandeville Volunteer Fire Department, Genoa Volunteer Fire Department, Booker Bridge Volunteer Fire Department, Trinity Volunteer Fire Department, Boggy Creek Volunteer Fire Department, Bright Star Volunteer Fire Department, Satellite Volunteer Fire Department, Pleasant Hill Volunteer Fire Department, Doddridge Volunteer Fire Department, Miscellaneous Grants, Court Security Grant, Homeland Security, Genoa Water Project, and Communication Facility and Equipment.

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 – Law Library, Act 1256, and Common School; Tax Collector – Delinquent Personal Tax and Delinquent Real Tax; Sheriff – Fee, Bond and Fine, Inmate, and Confiscation; County Clerk – Fee and Trust; Circuit Clerk – Fee and Trust; District Court – County and Juvenile Probation.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

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, except for Treasurer's and Collector's commission, which was distributed July 22, 2015. 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, excess Treasurer's commission, excess Collector's commission, property taxes, and other 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.

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.

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law (Continued)

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 Genoa Water Project 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.

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	\$ 3,726		
Federal aid	14,347		\$ 81,168
Property taxes	33,682	\$ 4,337	6,090
Sales taxes	97,660	97,660	128,084
Fines, forfeitures, and costs	48,414		24,314
Interest	17		
Officers' fees	15,022		32,982
Phone commission			8,988
Jail fees	5,046		71,853
911 surcharges			1,975
Treasurer's commission			36,019
Collector's commission			94,946
Other	10,441	22,428	20,496
Transfers in			53,000
Totals	\$ 228,355	\$ 124,425	\$ 559,915

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

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	\$ 94,235	\$ 39,469	\$ 281,981
Transfers out	53,000		
Totals	\$ 147,235	\$ 39,469	\$ 281,981

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2014	
	Interfund Receivables	Interfund Payables
General	\$ 7,500	
Other Funds in the Aggregate:		
Special Revenue:		
Miscellaneous Grants		\$ 7,500
Totals	\$ 7,500	\$ 7,500

Interfund receivables and payables consist of errors in depositing restricted revenues. These balances have been repaid as of audit date.

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, 2014, the legal debt limit for bonded debt was \$43,489,537. 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 \$12,070,706. The amount of short-term financing obligations was \$7,500, leaving a legal debt margin of \$12,063,206.

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

NOTE 8: 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
Fund Balances			
Restricted for:			
General government			\$ 684,149
Law enforcement			428,151
Highways and streets		\$ 985,633	
Public safety			570,991
Total Restricted		985,633	1,683,291
Committed for:			
Law enforcement	\$ 2,146		
Recreation and culture			108,313
Total Committed	2,146		108,313
Assigned to:			
General government			16
Law enforcement			243,018
Public safety			25,000
Total Assigned			268,034
Unassigned	2,949,526		
Totals	\$ 2,951,672	\$ 985,633	\$ 2,059,638

NOTE 9: Commitments

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

	December 31, 2014
Long-term liabilities	\$ 7,500
Reappraisal contract	225,000
Total Commitments	\$ 232,500

Long-term Liabilities

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

	December 31, 2014
<u>Leases Payable</u>	
Lease purchase agreement with Ford Motor Credit Company, Dearborn, Michigan, for the purchase of two Ford Fusions with interest of 5.15% for 36 monthly installments of \$947 beginning April 23, 2013. Payments are to be made from the General Fund.	\$ 2,816
<u>Notes Payable</u>	
Note payable with the Arkansas Forestry Commission for the purchase of a fire truck water tank. There was no stated interest rate for 12 quarterly payments of \$780 beginning August 15, 2013. Payments are to be made from the Genoa Volunteer Fire Department Fund.	4,684
Total Long-term liabilities	\$ 7,500

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

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

NOTE 9: Commitments (Continued)

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,	Notes	Leases	Total
2015	\$ 3,120	\$ 2,840	\$ 5,960
2016	1,564	2,840	1,564
Total Obligations	4,684	2,840	7,524
Less Interest	24	24	24
Total Principal	<u>\$ 4,684</u>	<u>\$ 2,816</u>	<u>\$ 7,500</u>

Reappraisal Contract

The County entered into a contract dated January 1, 2011 with Total Assessment Solutions Corporation for reappraisal services. The terms of the contract require \$1,125,000 to be paid in monthly installments of \$18,750 with the first invoice issued on January 1, 2011. The County is obligated for \$225,000 in 2015.

Reappraisal expense for 2014 was \$225,000.

NOTE 10: Interfund Transfers

The General Fund transferred \$443,294 to Other Funds in the Aggregate (Support Collection Costs - \$294, Jail Maintenance and Operation - \$414,000, CMRS 911 Board (Commercial Mobile Radio Service) - \$25,000, and Indigent Defense - \$4,000) for operating purposes. The Other Funds in the Aggregate (No Liability Insurance - \$32,000, Victim/Witness - \$93,000, Criminal Justice - \$31,000, and Homeland Security - \$68,905) transferred \$224,905 to the General Fund for reimbursement of expenditures.

NOTE 11: Prior Year Restatement

The Other Funds in the Aggregate were restated at January 1, 2014, by \$419,744 to prorate the Rural Fire and Fire Equipment and Training (Act 833) Funds between the individual volunteer fire department funds.

NOTE 12: 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.

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

NOTE 12: 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 13: 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, 2014 were \$776,552.

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

Schedule 1

SPECIAL REVENUE FUNDS									
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Property Tax Relief	County Clerk's Automation	County Recorder's Cost	Support Collection Costs	Drug Control
ASSETS									
Cash and cash equivalents	\$ 100,256	\$ 179,339	\$ 80,158	\$ 2,488	\$ 62,025	\$ 37,597	\$ 59,041		\$ 4,336
Accounts receivable	36,019	94,946	2,487	809	34	1,684	29,984	\$ 16	
TOTAL ASSETS	\$ 136,275	\$ 274,285	\$ 82,645	\$ 3,297	\$ 62,059	\$ 39,281	\$ 89,025	\$ 16	\$ 4,336
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 766	\$ 5,306	\$ 547			\$ 4,694		
Interfund payables									
Settlements pending									
Total Liabilities		766	5,306	547			4,694		
Fund Balances: (Note 8)									
Restricted	\$ 136,275	273,519	77,339	2,750	\$ 62,059	\$ 39,281	84,331		\$ 4,336
Committed									
Assigned								\$ 16	
Total Fund Balances	136,275	273,519	77,339	2,750	62,059	39,281	84,331	16	4,336
TOTAL LIABILITIES AND FUND BALANCES	\$ 136,275	\$ 274,285	\$ 82,645	\$ 3,297	\$ 62,059	\$ 39,281	\$ 89,025	\$ 16	\$ 4,336

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	Jail Maintenance and Operation	Emergency Rescue	CMRS 911 Board (Commercial Mobile Radio Service)	No Liability Insurance	Indigent Defense	Victim/Witness	Drug Court	Public Safety	Juvenile Probation Fees
ASSETS									
Cash and cash equivalents	\$ 103,189	\$ 8,132	\$ 99,946	\$ 6,105	\$ 964	\$ 33,994	\$ 20,367	\$ 5,141	\$ 14,467
Accounts receivable	252,047	25	3,258	1,055	6,076	8,506	91	38	96
TOTAL ASSETS	<u>\$ 355,236</u>	<u>\$ 8,157</u>	<u>\$ 103,204</u>	<u>\$ 7,160</u>	<u>\$ 7,040</u>	<u>\$ 42,500</u>	<u>\$ 20,458</u>	<u>\$ 5,179</u>	<u>\$ 14,563</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 114,025	\$ 358			\$ 5,233				
Interfund payables									
Settlements pending									
Total Liabilities	<u>114,025</u>	<u>358</u>			<u>5,233</u>				
Fund Balances: (Note 8)									
Restricted		7,799	\$ 78,204	\$ 7,160		\$ 42,500	\$ 20,458	\$ 5,179	\$ 14,563
Committed									
Assigned	241,211		25,000		1,807				
Total Fund Balances	<u>241,211</u>	<u>7,799</u>	<u>103,204</u>	<u>7,160</u>	<u>1,807</u>	<u>42,500</u>	<u>20,458</u>	<u>5,179</u>	<u>14,563</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 355,236</u>	<u>\$ 8,157</u>	<u>\$ 103,204</u>	<u>\$ 7,160</u>	<u>\$ 7,040</u>	<u>\$ 42,500</u>	<u>\$ 20,458</u>	<u>\$ 5,179</u>	<u>\$ 14,563</u>

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

Schedule 1

SPECIAL REVENUE FUNDS									
	Criminal Justice	Circuit Clerk Commissioner's Fee	Capital Improvement	Smith Park	Miller County Volunteer Fire Department Association	Mandeville Volunteer Fire Department	Genoa Volunteer Fire Department	Booker Bridge Volunteer Fire Department	Trinity Volunteer Fire Department
ASSETS									
Cash and cash equivalents	\$ 6,286	\$ 1,228	\$ 51,211	\$ 108,447	\$ 22,044	\$ 43,476	\$ 48,593	\$ 54,503	\$ 78,812
Accounts receivable	1,430	491	11,795	820	1,694	1,694	1,694	1,694	1,694
TOTAL ASSETS	\$ 7,716	\$ 1,719	\$ 63,006	\$ 109,267	\$ 23,738	\$ 45,170	\$ 50,287	\$ 56,197	\$ 80,506
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable			\$ 32,645	\$ 954	\$ 3,562	\$ 1,136	\$ 1,994	\$ 3,994	\$ 2,715
Interfund payables									
Settlements pending									
Total Liabilities			32,645	954	3,562	1,136	1,994	3,994	2,715
Fund Balances: (Note 8)									
Restricted	\$ 7,716	\$ 1,719	30,361		20,176	44,034	48,293	52,203	77,791
Committed				108,313					
Assigned									
Total Fund Balances	7,716	1,719	30,361	108,313	20,176	44,034	48,293	52,203	77,791
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,716	\$ 1,719	\$ 63,006	\$ 109,267	\$ 23,738	\$ 45,170	\$ 50,287	\$ 56,197	\$ 80,506

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

Schedule 1

SPECIAL REVENUE FUNDS									
	Boggy Creek Volunteer Fire Department	Bright Star Volunteer Fire Department	Satellite Volunteer Fire Department	Pleasant Hill Volunteer Fire Department	Doddridge Volunteer Fire Department	Miscellaneous Grants	Court Security Grant	Genoa Water Project	Communication Facility and Equipment
ASSETS									
Cash and cash equivalents	\$ 21,563	\$ 35,148	\$ 77,433	\$ 66,345	\$ 36,070	\$ 64,104	\$ 5,606	\$ 1	\$ 250,789
Accounts receivable	1,694	1,694	1,694	1,694	1,694			81,168	10,100
TOTAL ASSETS	<u>\$ 23,257</u>	<u>\$ 36,842</u>	<u>\$ 79,127</u>	<u>\$ 68,039</u>	<u>\$ 37,764</u>	<u>\$ 64,104</u>	<u>\$ 5,606</u>	<u>\$ 81,169</u>	<u>\$ 260,889</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 5,389		\$ 119	\$ 1,831	\$ 378			\$ 81,169	\$ 15,166
Interfund payables						\$ 7,500			
Settlements pending									
Total Liabilities	<u>5,389</u>		<u>119</u>	<u>1,831</u>	<u>378</u>	<u>7,500</u>		<u>81,169</u>	<u>15,166</u>
Fund Balances: (Note 8)									
Restricted	17,868	\$ 36,842	79,008	66,208	37,386	56,604	\$ 5,606		245,723
Committed									
Assigned									
Total Fund Balances	<u>17,868</u>	<u>36,842</u>	<u>79,008</u>	<u>66,208</u>	<u>37,386</u>	<u>56,604</u>	<u>5,606</u>		<u>245,723</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 23,257</u>	<u>\$ 36,842</u>	<u>\$ 79,127</u>	<u>\$ 68,039</u>	<u>\$ 37,764</u>	<u>\$ 64,104</u>	<u>\$ 5,606</u>	<u>\$ 81,169</u>	<u>\$ 260,889</u>

MILLER 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 Clerk's Accounts	Circuit Clerk's Accounts	District Court Accounts	Totals
ASSETS							
Cash and cash equivalents	\$ 51,430	\$ 226,312	\$ 87,857	\$ 290,034	\$ 904,458	\$ 85,679	\$ 3,434,974
Accounts receivable							559,915
TOTAL ASSETS	<u>\$ 51,430</u>	<u>\$ 226,312</u>	<u>\$ 87,857</u>	<u>\$ 290,034</u>	<u>\$ 904,458</u>	<u>\$ 85,679</u>	<u>\$ 3,994,889</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 281,981
Interfund payables							7,500
Settlements pending	\$ 51,430	\$ 226,312	\$ 87,857	\$ 290,034	\$ 904,458	\$ 85,679	1,645,770
Total Liabilities	<u>51,430</u>	<u>226,312</u>	<u>87,857</u>	<u>290,034</u>	<u>904,458</u>	<u>85,679</u>	<u>1,935,251</u>
Fund Balances: (Note 8)							
Restricted							1,683,291
Committed							108,313
Assigned							268,034
Total Fund Balances							<u>2,059,638</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 51,430</u>	<u>\$ 226,312</u>	<u>\$ 87,857</u>	<u>\$ 290,034</u>	<u>\$ 904,458</u>	<u>\$ 85,679</u>	<u>\$ 3,994,889</u>

MILLER 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									
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Property Tax Relief	County Clerk's Automation	County Recorder's Cost	Support Collection Costs	Drug Control
REVENUES									
State aid					\$ 4,762				
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 38,281	\$ 10,396					
Interest			241				\$ 336	\$ 3	
Officers' fees						\$ 20,226	334,829	2,250	
Phone commission									
Jail fees									
911 surcharges									
Treasurer's commission	\$ 36,019								
Collector's commission		\$ 94,946							
Other							186		
TOTAL REVENUES	36,019	94,946	38,522	10,396	4,762	20,226	335,351	2,253	
Less: Treasurer's commission				138	62	259		29	
NET REVENUES	36,019	94,946	38,522	10,258	4,700	19,967	335,351	2,224	
EXPENDITURES									
Current:									
General government	7,792	34,331			689	40,984	445,369	2,650	
Law enforcement			44,680	14,190					
Highways and streets									
Public safety									
Recreation and culture									
Total Current	7,792	34,331	44,680	14,190	689	40,984	445,369	2,650	
Debt Service:									
Note principal									
TOTAL EXPENDITURES	7,792	34,331	44,680	14,190	689	40,984	445,369	2,650	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	28,227	60,615	(6,158)	(3,932)	4,011	(21,017)	(110,018)	(426)	
OTHER FINANCING SOURCES (USES)									
Transfers in								294	
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)								294	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	28,227	60,615	(6,158)	(3,932)	4,011	(21,017)	(110,018)	(132)	
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	108,048	212,904	83,497	6,682	58,048	60,298	194,349	148	\$ 4,336
Restatement adjustment (Note 11)									
FUND BALANCES - JANUARY 1, AS RESTATED	108,048	212,904	83,497	6,682	58,048	60,298	194,349	148	4,336
FUND BALANCES - DECEMBER 31	\$ 136,275	\$ 273,519	\$ 77,339	\$ 2,750	\$ 62,059	\$ 39,281	\$ 84,331	\$ 16	\$ 4,336

MILLER 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								
	Jail Maintenance and Operation	Emergency Rescue	CMRS 911 Board (Commercial Mobile Radio Service)	No Liability Insurance	Indigent Defense	Victim/Witness	Drug Court	Public Safety	Juvenile Probation Fees
REVENUES									
State aid		\$ 3,526			\$ 2,332				
Federal aid							\$ 4,500		
Property taxes									
Sales taxes	\$ 1,298,501								
Fines, forfeitures, and costs	103,680			\$ 16,420	33,739	\$ 99,754	4,360	\$ 425	\$ 8,740
Interest	301	24	\$ 194	55	11		54	14	39
Officers' fees									3,636
Phone commission									
Jail fees	922,527								
911 surcharges			171,985						
Treasurer's commission									
Collector's commission									
Other	59,954				10,742				
TOTAL REVENUES	2,384,963	3,550	172,179	16,475	46,824	99,754	8,914	439	12,415
Less: Treasurer's commission	29,608	46	2,312		475	331	56		172
NET REVENUES	2,355,355	3,504	169,867	16,475	46,349	99,423	8,858	439	12,243
EXPENDITURES									
Current:									
General government									
Law enforcement	2,807,793				56,306		4,122		9,200
Highways and streets									
Public safety		6,828	118,546						
Recreation and culture									
Total Current	2,807,793	6,828	118,546		56,306		4,122		9,200
Debt Service:									
Note principal									
TOTAL EXPENDITURES	2,807,793	6,828	118,546		56,306		4,122		9,200
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(452,438)	(3,324)	51,321	16,475	(9,957)	99,423	4,736	439	3,043
OTHER FINANCING SOURCES (USES)									
Transfers in	414,000		25,000		4,000				
Transfers out				(32,000)		(93,000)			
TOTAL OTHER FINANCING SOURCES (USES)	414,000		25,000	(32,000)	4,000	(93,000)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(38,438)	(3,324)	76,321	(15,525)	(5,957)	6,423	4,736	439	3,043
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	279,649	11,123	26,883	22,685	7,764	36,077	15,722	4,740	11,520
Restatement adjustment (Note 11)									
FUND BALANCES - JANUARY 1, AS RESTATED	279,649	11,123	26,883	22,685	7,764	36,077	15,722	4,740	11,520
FUND BALANCES - DECEMBER 31	\$ 241,211	\$ 7,799	\$ 103,204	\$ 7,160	\$ 1,807	\$ 42,500	\$ 20,458	\$ 5,179	\$ 14,563

MILLER 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								
	Criminal Justice	Voting System Grant	Circuit Clerk Commissioner's Fee	Capital Improvement	Smith Park	Rural Fire	Fire Equipment and Training (Act 833)	Miller County Volunteer Fire Department Association	Mandeville Volunteer Fire Department
REVENUES									
State aid		\$ 14,965						\$ 1,698	\$ 9,460
Federal aid									
Property taxes								9,980	9,980
Sales taxes				\$ 132,447				13,245	13,245
Fines, forfeitures, and costs	\$ 17,157								
Interest	48			214	\$ 289			49	90
Officers' fees			\$ 2,029						
Phone commission									
Jail fees									
911 surcharges									
Treasurer's commission									
Collector's commission									
Other				213	11,293				
TOTAL REVENUES	17,205	14,965	2,029	132,874	11,582			24,972	32,775
Less: Treasurer's commission			23	1,701					
NET REVENUES	17,205	14,965	2,006	131,173	11,582			24,972	32,775
EXPENDITURES									
Current:									
General government		14,965	836	77,524					
Law enforcement				211,418					
Highways and streets									
Public safety							\$ 14,197	22,823	24,557
Recreation and culture									4,923
Total Current		14,965	836	288,942	4,923		14,197	22,823	24,557
Debt Service:									
Note principal									
TOTAL EXPENDITURES		14,965	836	288,942	4,923		14,197	22,823	24,557
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	17,205	0	1,170	(157,769)	6,659		(14,197)	2,149	8,218
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out	(31,000)								
TOTAL OTHER FINANCING SOURCES (USES)	(31,000)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(13,795)		1,170	(157,769)	6,659		(14,197)	2,149	8,218
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	21,511		549	188,130	101,654	\$ 297,316	136,625		
Restatement adjustment (Note 11)						(297,316)	(122,428)	18,027	35,816
FUND BALANCES - JANUARY 1, AS RESTATED	21,511		549	188,130	101,654	0	14,197	18,027	35,816
FUND BALANCES - DECEMBER 31	\$ 7,716	\$ 0	\$ 1,719	\$ 30,361	\$ 108,313	\$ 0	\$ 0	\$ 20,176	\$ 44,034

MILLER 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								
	Genoa Volunteer Fire Department	Booker Bridge Volunteer Fire Department	Trinity Volunteer Fire Department	Boggy Creek Volunteer Fire Department	Bright Star Volunteer Fire Department	Satellite Volunteer Fire Department	Pleasant Hill Volunteer Fire Department	Doddridge Volunteer Fire Department	Miscellaneous Grants
REVENUES									
State aid	\$ 9,460	\$ 9,460	\$ 9,460	\$ 9,460	\$ 9,460	\$ 9,460	\$ 14,260	\$ 9,460	\$ 396,847
Federal aid					1,000			500	
Property taxes	9,980	9,980	9,980	9,980	9,980	9,980	9,980	9,980	
Sales taxes	13,245	13,245	13,245	13,245	13,245	13,245	13,245	13,245	
Fines, forfeitures, and costs									
Interest	99	120	169	40	74	167	166	91	
Officers' fees									
Phone commission									
Jail fees									
911 surcharges									
Treasurer's commission									
Collector's commission									
Other			38	19				63	
TOTAL REVENUES	32,784	32,805	32,892	32,744	33,759	32,852	37,651	33,339	396,847
Less: Treasurer's commission									
NET REVENUES	32,784	32,805	32,892	32,744	33,759	32,852	37,651	33,339	396,847
EXPENDITURES									
Current:									
General government									117,606
Law enforcement									79,570
Highways and streets									42,430
Public safety	15,596	30,513	14,244	30,328	34,143	13,223	32,536	45,425	72,128
Recreation and culture									29,807
Total Current	15,596	30,513	14,244	30,328	34,143	13,223	32,536	45,425	341,541
Debt Service:									
Note principal	3,120								
TOTAL EXPENDITURES	18,716	30,513	14,244	30,328	34,143	13,223	32,536	45,425	341,541
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	14,068	2,292	18,648	2,416	(384)	19,629	5,115	(12,086)	55,306
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	14,068	2,292	18,648	2,416	(384)	19,629	5,115	(12,086)	55,306
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED									1,298
Restatement adjustment (Note 11)	34,225	49,911	59,143	15,452	37,226	59,379	61,093	49,472	
FUND BALANCES - JANUARY 1, AS RESTATED	34,225	49,911	59,143	15,452	37,226	59,379	61,093	49,472	1,298
FUND BALANCES - DECEMBER 31	\$ 48,293	\$ 52,203	\$ 77,791	\$ 17,868	\$ 36,842	\$ 79,008	\$ 66,208	\$ 37,386	\$ 56,604

MILLER 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					
	Court Security Grant	Homeland Security	Genoa Water Project	Communication Facility and Equipment	Totals
REVENUES					
State aid					\$ 514,070
Federal aid			\$ 410,227		416,227
Property taxes					99,800
Sales taxes					1,563,398
Fines, forfeitures, and costs					332,952
Interest				\$ 210	3,098
Officers' fees				16,732	379,702
Phone commission				105,266	105,266
Jail fees					922,527
911 surcharges					171,985
Treasurer's commission					36,019
Collector's commission					94,946
Other			502	3,993	87,003
TOTAL REVENUES			410,729	126,201	4,726,993
Less: Treasurer's commission					35,212
NET REVENUES			410,729	126,201	4,691,781
EXPENDITURES					
Current:					
General government			410,729		1,153,475
Law enforcement				56,959	3,284,238
Highways and streets					42,430
Public safety					475,087
Recreation and culture					34,730
Total Current			410,729	56,959	4,989,960
Debt Service:					
Note principal					3,120
TOTAL EXPENDITURES			410,729	56,959	4,993,080
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			0	69,242	(301,299)
OTHER FINANCING SOURCES (USES)					
Transfers in					443,294
Transfers out		\$ (68,905)			(224,905)
TOTAL OTHER FINANCING SOURCES (USES)		(68,905)			218,389
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		(68,905)		69,242	(82,910)
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	\$ 5,606	68,905		176,481	2,142,548
Restatement adjustment (Note 11)					
FUND BALANCES - JANUARY 1, AS RESTATED	5,606	68,905		176,481	2,142,548
FUND BALANCES - DECEMBER 31	\$ 5,606	\$ 0	\$ 0	\$ 245,723	\$ 2,059,638

MILLER 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.

Fund Name	Fund Description
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commissions to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
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.
Assessor's Property Tax Relief	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.
County Clerk's Automation	Ark. Code Ann. §§ 21-6-413, 16-20-407 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, and to account for a \$2 marriage license fee to be used for operation of the County Clerk's office.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate automated records system.
Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Maintenance and Operation	Miller County Ordinance no. 2000-09 (June 19, 2000) established fund to receive .25% sales and use tax as approved by referendum on August 8, 2000 to operate and maintain jail facilities in Miller County. Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for operation and maintenance of the county jail. 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.

MILLER 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.

Fund Name	Fund Description
Jail Maintenance and Operation (Continued)	Ark. Code Ann. § 12-41-505 established fund to receive a \$20 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility. Ark. Code Ann. § 12-41-505 requiring every person who may be committed to the common jail of the County for any criminal offense or misdemeanor, if he or she shall be convicted, shall pay the expenses in carrying him or her to jail and also for his or her support from the day of his or her initial incarceration for the whole time he or she remains there.
Emergency Rescue	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.
CMRS 911 Board (Commercial Mobile Radio Service)	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.
No Liability Insurance	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.
Indigent Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court; defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail. Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall all be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the county quarterly to be used to defray the operating expenses of the public defender office.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.

MILLER 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.

Fund Name	Fund Description
Public Safety	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines collected for violations of the Child Passenger Protection Act to be used solely for promotion of public safety.
Juvenile Probation Fees	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Criminal Justice	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for the administration of justice.
Voting System Grant	Ark. Code Ann. § 19-5-1247 established fund to receive grants from the Secretary of State County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.
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.
Capital Improvement	Authorized by Miller County Ordinance no. 1988-32 (October 13, 1988) to be used for construction or refurbishing of buildings, machinery, and equipment within the buildings owned by Miller County. Source of funds is a 1% sales tax passed on December 13, 1988.
Smith Park	Established by Miller County Ordinance no. 2000-07 (May 15, 2000) to receive gun range fees to be used for operation of gun range at Smith Park.
Rural Fire	Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the County's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988).
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.
Miller County Volunteer Fire Department Association	Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988).

MILLER 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.

Fund Name	Fund Description
Mandeville Volunteer Fire Department	<p>Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988).</p> <p>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.</p>
Genoa Volunteer Fire Department	<p>Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988).</p> <p>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.</p>
Booker Bridge Volunteer Fire Department	<p>Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988).</p> <p>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.</p>
Trinity Volunteer Fire Department	<p>Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988).</p> <p>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.</p>
Boggy Creek Volunteer Fire Department	<p>Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988).</p>

MILLER 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.

Fund Name	Fund Description
Boggy Creek Volunteer Fire Department (Continued)	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.
Bright Star Volunteer Fire Department	Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988). 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.
Satellite Volunteer Fire Department	Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988). 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.
Pleasant Hill Volunteer Fire Department	Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988). 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.
Doddridge Volunteer Fire Department	Established to account for property tax millage approved by referendum on November 7, 1978 and levied by the Quorum Court for the support, operation, and maintenance of the county's rural fire departments. Fund also established to receive sales tax appropriated to Miller County Rural Fire Department by Miller County Ordinance no. 1988-32 (October 13, 1988). 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.

MILLER 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.

Fund Name	Fund Description
Miscellaneous Grants	Established by County to account for miscellaneous grant awards.
Court Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Homeland Security	Established to account for grants received from Arkansas Department of Emergency Management for the purpose of purchasing equipment.
Genoa Water Project	Established to account for Community and Economic Development Program Grant for the purpose of completing a water and wastewater infrastructure improvement project.
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.

Treasurer's accounts consist primarily of amounts due to other agencies.

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 of trust money and settlements due to Treasurer.

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

District Court Accounts consist primarily of fines and costs not yet distributed to the county and/or state.

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

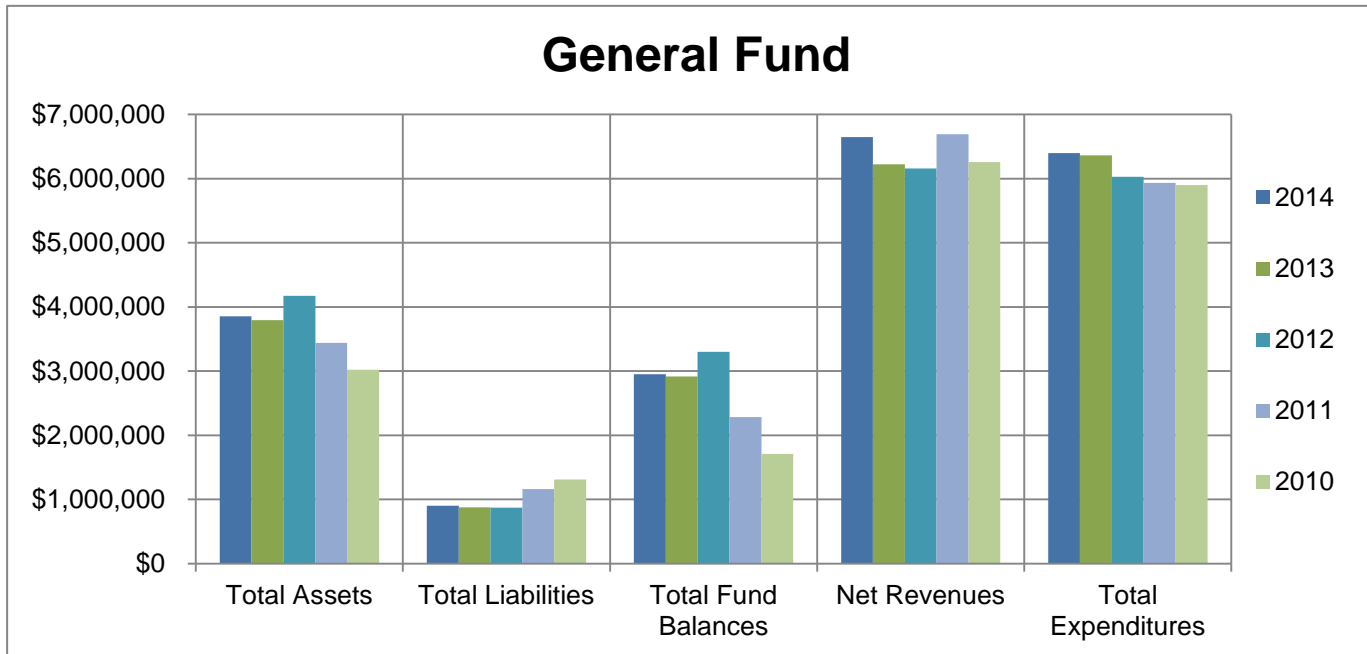
Schedule 3

	<u>December 31, 2014</u>
Land	\$ 330,695
Buildings and Improvements	10,190,258
Equipment	<u>5,580,595</u>
Total	<u>\$ 16,101,548</u>

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

Schedule 4-1

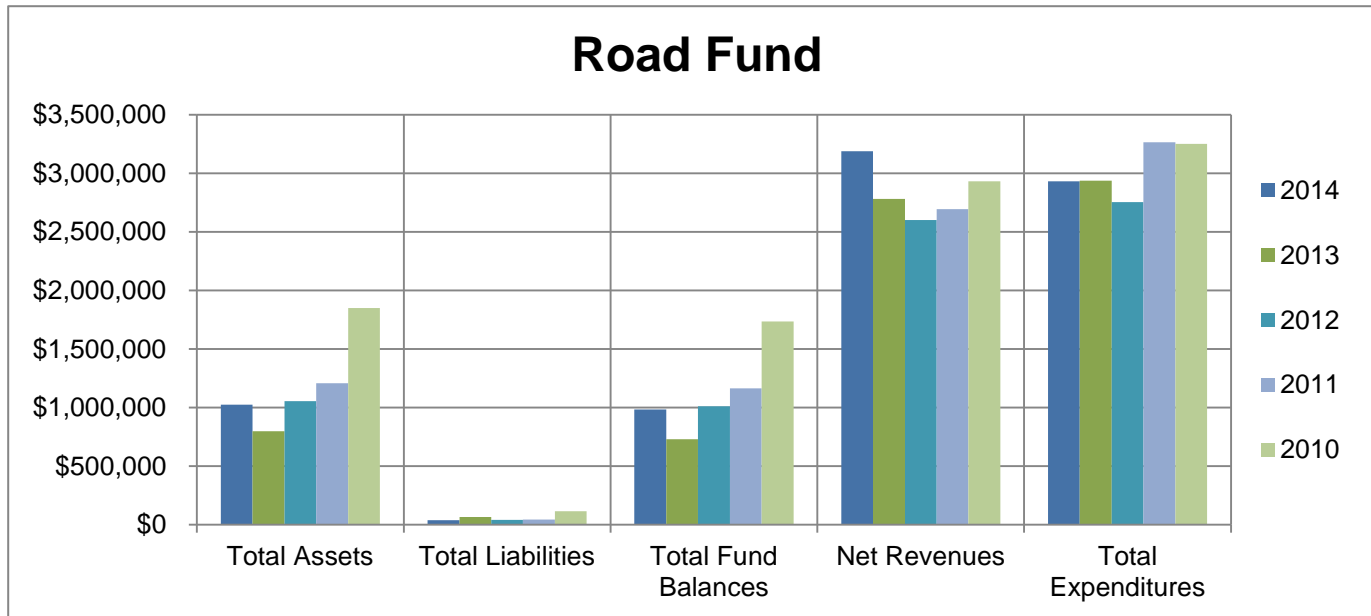
General	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Assets	\$ 3,853,027	\$ 3,792,770	\$ 4,172,422	\$ 3,442,105	\$ 3,022,058
Total Liabilities	901,355	875,120	873,824	1,159,014	1,311,822
Total Fund Balances	2,951,672	2,917,650	3,298,598	2,283,091	1,710,236
Net Revenues	6,648,610	6,225,083	6,155,988	6,689,616	6,257,432
Total Expenditures	6,396,199	6,363,246	6,029,924	5,935,979	5,896,552
Total Other Financing Sources/Uses	(218,389)	(202,052)	614,300	(183,029)	(403,132)



MILLER 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	\$ 1,025,102	\$ 797,607	\$ 1,055,346	\$ 1,207,980	\$ 1,849,707
Total Liabilities	39,469	67,018	43,008	43,917	114,492
Total Fund Balances	985,633	730,589	1,012,338	1,164,063	1,735,215
Net Revenues	3,187,899	2,782,324	2,602,194	2,693,236	2,933,217
Total Expenditures	2,932,855	2,936,569	2,753,919	3,264,388	3,253,098
Total Other Financing Sources/Uses					



MILLER 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

<u>Other Funds in the Aggregate</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Assets	\$ 3,994,889	\$ 3,993,241	\$ 3,903,353	\$ 4,175,921	\$ 4,809,056
Total Liabilities	1,935,251	1,850,693	1,692,844	1,564,880	1,666,450
Total Fund Balances	2,059,638	2,142,548	2,210,509	2,611,041	3,142,606
Net Revenues	4,691,781	3,778,572	5,113,052	4,921,989	4,877,875
Total Expenditures	4,993,080	4,043,086	4,642,653	5,430,522	5,104,784
Total Other Financing Sources/Uses	218,389	202,052	(595,788)	(20,785)	969,200

