

**Faulkner County, Arkansas**  
**Regulatory Basis Financial Statements**  
**and Other Reports**

**December 31, 2019**

LEGISLATIVE JOINT AUDITING COMMITTEE

---



FAULKNER COUNTY, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Independent Auditor's Report  
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*  
Management Letter

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. Jason Rapert**  
Senate Chair  
**Sen. Eddie Cheatham**  
Senate Vice Chair

**Rep. Richard Womack**  
House Chair  
**Rep. DeAnn Vaught**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

Faulkner 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 Faulkner County, Arkansas, as of and for the year ended December 31, 2019, and the related notes to the financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditor's Responsibility***

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

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

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

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

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

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

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Faulkner County, Arkansas, as of December 31, 2019, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

### **Unmodified Opinions on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Faulkner County, Arkansas, as of December 31, 2019, 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.

### **Emphasis of Matter**

As discussed in Note 10 to the financial statements, in 2019, the County adopted new revenue recognition policies mandated by Ark. Code Ann. § 14-71-101. The law requires sales taxes be recognized in the year received by the County. Our opinions are not modified with respect to this matter.

### **Other Matters**

#### *Supplementary and Other Information*

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

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2020, 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, CFF  
Legislative Auditor

Little Rock, Arkansas  
December 16, 2020  
LOCO02319

# Arkansas

**Sen. Jason Rapert**  
Senate Chair  
**Sen. Eddie Cheatham**  
Senate Vice Chair



**Rep. Richard Womack**  
House Chair  
**Rep. DeAnn Vaught**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

### INDEPENDENT AUDITOR'S REPORT

Faulkner 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 Faulkner County, Arkansas, as of and for the year ended December 31, 2019, and the related notes to the financial statements, and have issued our report thereon dated December 16, 2020. 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 unmodified.

#### Internal Control Over Financial Reporting

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

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. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### 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*.

We also reported to management of the County in a separate letter dated December 16, 2020.

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 16, 2020

# Arkansas



**Sen. Jason Rapert**  
Senate Chair  
**Sen. Eddie Cheatham**  
Senate Vice Chair

**Rep. Richard Womack**  
House Chair  
**Rep. DeAnn Vaught**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2019:

County Judge: Jim Baker  
Treasurer: Scott Sanson  
Sheriff: Tim Ryals  
Tax Collector: Sherry Koonce  
County Clerk: Margaret Darter  
Circuit Clerk: Crystal Taylor  
Assessor: Krissy Lewis  
County Librarian: John McGraw

We would like to communicate the following items that came to our attention during this audit. The purpose of such comments is to provide constructive feedback and guidance, in an effort to assist management to maintain a satisfactory level of compliance with the state constitution, laws and regulations, and to improve internal control. These matters were discussed previously with County officials during the course of our audit fieldwork and at the exit conference.

#### County Judge and County Clerk

A review of Road Department payroll records revealed a total of \$1,829 was overpaid to 20 employees due to calculation errors regarding overtime.

#### Sheriff

The balance remaining in the Bond and Fine bank account of \$73,359 was not identified with receipts issued but not yet entered on the arrest report, as required by Ark. Code Ann. § 16-10-207. In addition, remaining balances in the Circuit Bond and Fine and Sheriff's Fee bank accounts of \$183,599 and \$26,891, respectively, were not identified. A similar finding has been noted in the previous thirteen reports dating back to 2006.

This letter is intended solely for the information and use of the Legislative Joint Auditing Committee, the Quorum Court and County management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in cursive script that reads "Marti Steel".

Marti Steel, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
December 16, 2020

FAULKNER COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2019

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,789,366	\$ 4,510,085	\$ 18,513,295
Accounts receivable	682,696	207,693	807,271
<b>TOTAL ASSETS</b>	<b><u>\$ 5,472,062</u></b>	<b><u>\$ 4,717,778</u></b>	<b><u>\$ 19,320,566</u></b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 232,407	\$ 35,200	\$ 436,810
Settlements pending			7,302,441
<b>Total Liabilities</b>	<b><u>232,407</u></b>	<b><u>35,200</u></b>	<b><u>7,739,251</u></b>
<b>Fund Balances:</b>			
Restricted	432,644	4,682,578	6,689,037
Committed			4,892,278
Assigned	1,338,217		
Unassigned	3,468,794		
<b>Total Fund Balances</b>	<b><u>5,239,655</u></b>	<b><u>4,682,578</u></b>	<b><u>11,581,315</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 5,472,062</u></b>	<b><u>\$ 4,717,778</u></b>	<b><u>\$ 19,320,566</u></b>

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

FAULKNER COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Exhibit B

	General	Road	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 1,289,408	\$ 3,725,332	\$ 707,005
Federal aid	21,819	417,885	731,472
Property taxes	8,260,131	3,200,200	2,004,222
Sales taxes			8,745,510
Fines, forfeitures, and costs	797,591		552,487
Interest	98,483	108,451	259,747
Officers' fees	182,790		1,267,162
Insurance premiums collected	2,906,654		
Jail fees	755,586		9,124
911 fees			547,477
Donations			7,813
Natural gas severance tax		226,373	
Treasurer's commission	256,689		47,943
Collector's commission	464,273		250,000
Taxes apportioned - Assessor's salary and expense	1,158,132		47,283
Other	1,005,821	30,268	186,527
<b>TOTAL REVENUES</b>	<b>17,197,377</b>	<b>7,708,509</b>	<b>15,363,772</b>
Less: Treasurer's commission	67,604	44,182	84,505
<b>NET REVENUES</b>	<b>17,129,773</b>	<b>7,664,327</b>	<b>15,279,267</b>
<b>EXPENDITURES</b>			
Current:			
General government	8,257,432		1,570,667
Law enforcement	8,465,207		6,519,871
Highways and streets		9,027,638	5,733,234
Public safety	114,868		657,942
Health	45,059		
Recreation and culture			2,058,063
Social services	213,517		
<b>TOTAL EXPENDITURES</b>	<b>17,096,083</b>	<b>9,027,638</b>	<b>16,539,777</b>

FAULKNER COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2019

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 33,690	\$ (1,363,311)	\$ (1,260,510)
OTHER FINANCING SOURCES (USES)			
Transfers in			95,208
Transfers out	<u>(71,708)</u>		<u>(23,500)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(71,708)</u>		<u>71,708</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(38,018)	(1,363,311)	(1,188,802)
FUND BALANCES - JANUARY 1	<u>5,277,673</u>	<u>6,045,889</u>	<u>12,770,117</u>
FUND BALANCES - DECEMBER 31	<u>\$ 5,239,655</u>	<u>\$ 4,682,578</u>	<u>\$ 11,581,315</u>

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

FAULKNER 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, 2019

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 1,210,000	\$ 1,289,408	\$ 79,408	\$ 3,770,000	\$ 3,725,332	\$ (44,668)
Federal aid		21,819	21,819		417,885	417,885
Property taxes	8,047,250	8,260,131	212,881	2,995,500	3,200,200	204,700
Fines, forfeitures, and costs	774,000	797,591	23,591			
Interest	81,000	98,483	17,483	100,000	108,451	8,451
Officers' fees	221,500	182,790	(38,710)			
Insurance premiums collected	3,750,772	2,906,654	(844,118)			
Jail fees		755,586	755,586			
Natural gas severance tax					226,373	226,373
Treasurer's commission	265,000	256,689	(8,311)			
Collector's commission	458,000	464,273	6,273			
Taxes apportioned - Assessor's salary and expense	1,252,000	1,158,132	(93,868)			
Other		1,005,821	1,005,821	85,000	30,268	(54,732)
<b>TOTAL REVENUES</b>	<b>16,059,522</b>	<b>17,197,377</b>	<b>1,137,855</b>	<b>6,950,500</b>	<b>7,708,509</b>	<b>758,009</b>
Less: Treasurer's commission		67,604	(67,604)		44,182	(44,182)
<b>NET REVENUES</b>	<b>16,059,522</b>	<b>17,129,773</b>	<b>1,070,251</b>	<b>6,950,500</b>	<b>7,664,327</b>	<b>713,827</b>
EXPENDITURES						
Current:						
General government	9,412,710	8,257,432	1,155,278			
Law enforcement	8,484,576	8,465,207	19,369			
Highways and streets				9,801,072	9,027,638	773,434
Public safety	173,600	114,868	58,732			
Health	45,059	45,059				
Social services	213,516	213,517	(1)			
<b>TOTAL EXPENDITURES</b>	<b>18,329,461</b>	<b>17,096,083</b>	<b>1,233,378</b>	<b>9,801,072</b>	<b>9,027,638</b>	<b>773,434</b>

FAULKNER 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, 2019

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (2,269,939)	\$ 33,690	\$ 2,303,629	\$ (2,850,572)	\$ (1,363,311)	\$ 1,487,261
OTHER FINANCING SOURCES (USES)						
Transfers in	1,285,700		(1,285,700)			
Transfers out		(71,708)	(71,708)			
TOTAL OTHER FINANCING SOURCES (USES)	1,285,700	(71,708)	(1,357,408)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(984,239)	(38,018)	946,221	(2,850,572)	(1,363,311)	1,487,261
FUND BALANCES - JANUARY 1	3,461,361	5,277,673	1,816,312	3,939,950	6,045,889	2,105,939
FUND BALANCES - DECEMBER 31	<u>\$ 2,477,122</u>	<u>\$ 5,239,655</u>	<u>\$ 2,762,533</u>	<u>\$ 1,089,378</u>	<u>\$ 4,682,578</u>	<u>\$ 3,593,200</u>

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

FAULKNER COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**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**

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.

The regulatory basis of presentation is not in accordance with generally accepted accounting principles (GAAP). GAAP require that basic financial statements present government-wide and fund financial statements. Additionally, GAAP require the following major concepts: Management's Discussion and Analysis, separate financial statements for fiduciary fund types and other requirements for fiduciary fund types, specific procedures for the identification of major governmental funds, and applicable note disclosures. The regulatory basis of presentation does not require government-wide financial statements or the previously identified concepts.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with related liabilities and residual balances, and changes therein, which are segregated for purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds are recognized in the accompanying regulatory basis financial statements.

**General Fund** - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

**Road Fund** - The Road Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Road Fund accounts for and reports proceeds of state highway turnback, property taxes, and natural gas severance 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. See Schedules 1 and 2 for Special Revenue Funds as reported with other funds in the aggregate.

Custodial Funds - Custodial Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). See Schedule 1 for Custodial Funds as reported with other funds in the aggregate.

**C. Basis of Accounting - Regulatory**

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, as well as county sales taxes, 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. Liabilities incurred by the government on or before the end of the current period that are paid within 60 days of the end of the current period, are considered to be expenditures of the current period. However, debt service expenditures, as well as expenditures

FAULKNER COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**C. Basis of Accounting – Regulatory (Continued)**

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. Pension trust funds are reported in a separate column as part of supplementary information in order to provide users of the financial statements a better understanding of the entity as a whole.

The regulatory basis of accounting is not in accordance with generally accepted accounting principles (GAAP). GAAP require the following major concepts: Accrual basis of accounting for government-wide financial statements, including depreciation expense, modified accrual basis of accounting for fund financial statements, separate identification of special and extraordinary items, inclusion of capital assets and debt in the financial statements, inclusion of the net pension liability in the financial statements, and applicable note disclosures. The regulatory basis of accounting does not require the previously identified concepts.

**D. Assets, Liabilities, and Fund Balances**

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, trust funds, officer's fees, commissions, and property taxes 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.

FAULKNER COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**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 Homeland Security Law Enforcement Terrorism Prevention Activities – Federal, Communication Facility and Equipment, and Rocky Gap Water Project Funds.

**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 Deposits with Financial Institutions**

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 2,519,762	\$ 2,575,372
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	25,287,644	28,652,968
Total Deposits	\$ 27,807,406	\$ 31,228,340

The above total deposits do not include cash on hand of \$5,340.

**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.

FAULKNER COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2019, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 5,110		\$ 34,752
Property taxes	297,393	\$ 108,686	72,079
Fines, forfeitures, and costs	49,367		33,647
Interest	1,082		
Officers' fees	10,949		79,390
Insurance premiums collected	590		
Jail fees	80,076		742
911 fees			97,731
Treasurer's commission	23,059		47,943
Collector's commission			250,000
Other	63,626	32	3,801
Treasurer's commission charged	151,444	98,975	187,186
Totals	<u>\$ 682,696</u>	<u>\$ 207,693</u>	<u>\$ 807,271</u>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2019, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 232,407</u>	<u>\$ 35,200</u>	<u>\$ 436,810</u>

FAULKNER COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 6: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2019, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances			
Restricted for:			
General government	\$ 432,644		\$ 2,443,426
Law enforcement			981,243
Highways and streets		\$ 4,682,578	
Public safety			1,137,193
Recreation and culture			2,127,175
Total Restricted	<u>432,644</u>	<u>4,682,578</u>	<u>6,689,037</u>
Committed for:			
Law enforcement			2,563,353
Highways and streets			2,279,299
Recreation and culture			49,626
Total Committed			<u>4,892,278</u>
Assigned to:			
Law enforcement	<u>1,338,217</u>		
Unassigned	<u>3,468,794</u>		
Totals	<u>\$ 5,239,655</u>	<u>\$ 4,682,578</u>	<u>\$ 11,581,315</u>

**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, 2019, the legal debt limit for bonded debt was \$184,207,589. 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, 2019, the legal debt limit for short-term financing obligations was \$48,029,783. There were no short-term financing obligations.

**NOTE 8: Commitments**

Total commitments consist of the following at December 31, 2019:

	December 31, 2019
Compensated absences	\$ 698,506
Reappraisal contract	<u>923,400</u>
Total Commitments	<u>\$ 1,621,906</u>

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

FAULKNER COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2019

**NOTE 8: 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.

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on November 21, 2016, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$38,475 for a total of \$2,308,500 beginning January 15, 2017. Contract expense for 2019 was \$461,700.

The County is obligated for the following amounts at December 31, 2019:

Year	December 31, 2019
2020	\$ 461,700
2021	461,700
Total	\$ 923,400

**NOTE 9: Interfund Transfers**

General Fund transferred \$71,708 to Other Funds in the Aggregate to reclassify Tax Assessor Late Assessment Fee as a special revenue fund within Other Funds in the Aggregate. Within Other Funds in the Aggregate, \$23,500 was transferred from the Victim/Witness Fund to the Public Defender Investigator Fund to correct prior year errors.

**NOTE 10: Change in Accounting Policy**

Ark. Code Ann. § 14-71-101 went into effect for the year ended December 31, 2019, and requires sales taxes be recognized in the year received by the County. For 2019, the County will only recognize 11 months of sales taxes instead of 12 months.

**NOTE 11: Subsequent Events**

- a. On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered the Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). The extent of the impact of COVID-19 on the financial statements for future reporting periods will depend on certain developments, including the duration and speed of the outbreak, revenue collections, and any other possible issues – all of which are uncertain and cannot be predicted. The financial impact of COVID-19 to the County is uncertain.
- b. On December 16, 2020, the County received \$1,264,071 in federal aid from the Coronavirus Aid, Relief, and Economic Securities (CARES) Act.

**NOTE 12: Joint Venture: Faulkner – Van Buren Regional Library**

Faulkner and Van Buren Counties entered into an agreement in June 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the Faulkner – Van Buren Regional Library. The agreement states that the Regional Library shall employ a regional librarian approved by the Arkansas Library Commission to serve for such time and on such terms as the Board may prescribe and to be paid from the regional budget. County and branch personnel shall be recommended by the County Library Board and shall be employed only after approval of the regional librarian and the Arkansas Library Commission with such salaries to be paid from county funds. The County Library did not pay any regional library expenditures in 2019. Contact the Faulkner – Van Buren Regional Library at 1900 Tyler Street, Conway, AR 72032 to obtain financial statements.

FAULKNER COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 13: Jointly Governed Organizations**

**Twentieth Judicial Drug Crime Task Force**

The Prosecuting Attorney of the Twentieth Judicial District, the Sheriffs' Departments of Faulkner, Van Buren, and Searcy Counties, and the Conway Police Department entered into an agreement to establish the Twentieth Judicial District Drug Crime Task Force. Funding was provided through a Drug Law Enforcement Program grant applied for by the Prosecuting Attorney of the Twentieth Judicial District. The County did not provide funding to the Twentieth Judicial Drug Crime Task Force. Financial statements of the Twentieth Judicial District Drug Crime Task Force are not available.

**Faulkner County Solid Waste Management District**

Pursuant to Act 752 of the Acts of Arkansas of 1991, the Faulkner County Regional Solid Waste Management District and Board was organized to protect the public health and environmental quality through development and maintenance of a solid waste plan for the people of Faulkner County. The District is governed by a Board of Directors comprised of Mayors and other officials from each of the first class cities in Faulkner County as well as the County Judge. The County did not provide any funding for the Faulkner County Solid Waste Management District. Separate financial statements of the Faulkner County Solid Waste Management are available at 4550 US Highway 64, Conway, AR 72034.

**NOTE 14: Risk Management**

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

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

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

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment by the program is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.
- 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 \$500,000 per case with an annual aggregate of \$750,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board.

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 \$300,000 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.

FAULKNER COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

**NOTE 15: Arkansas Public Employees Retirement System**

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan. APERS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by writing to Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201, by calling 1-800-682-7377, or on their website [www.apers.org](http://www.apers.org).

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2019 (date of APERS Employer Allocation Report) were \$1,838,336.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, is limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2019 (actuarial valuation date and measurement date) was \$15,127,869.

**NOTE 16: Employee Self-Insured Benefit Plan**

The County participates in an Employee Self-Insured Benefit Plan administered by CoreSource. The County is required to maintain a benefit plan account which will be sufficient at all times to fund plan benefits and plan related expenses. Insurance premiums collected represent county payments for employees' health insurance, payroll deductions for employee spouse and dependent coverage, and cobra payments received. As of December 31, 2019, the balance in this account was \$432,644 and is reflected in the financial statements as part of the General Fund's restricted fund balance.

FAULKNER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2019

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Sheriff's Automation	Reappraisal Cost	Child Support Cost
<b>ASSETS</b>									
Cash and cash equivalents	\$ 202,145	\$ 778,673	\$ 5,083	\$ 75,661	\$ 11,759	\$ 839,881	\$ 2,457	\$ 32	\$ 77,890
Accounts receivable	48,008	250,237	1,562	646	7,241	78,630	506	34,759	397
<b>TOTAL ASSETS</b>	<b>\$ 250,153</b>	<b>\$ 1,028,910</b>	<b>\$ 6,645</b>	<b>\$ 76,307</b>	<b>\$ 19,000</b>	<b>\$ 918,511</b>	<b>\$ 2,963</b>	<b>\$ 34,791</b>	<b>\$ 78,287</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 1,054	\$ 1,113			\$ 53	\$ 1,697			\$ 140
Settlements pending									
<b>Total Liabilities</b>	<b>1,054</b>	<b>1,113</b>			<b>53</b>	<b>1,697</b>			<b>140</b>
<b>Fund Balances:</b>									
Restricted	249,099	1,027,797	\$ 6,645	\$ 76,307	18,947	916,814	\$ 2,963	\$ 34,791	78,147
Committed									
<b>Total Fund Balances</b>	<b>249,099</b>	<b>1,027,797</b>	<b>6,645</b>	<b>76,307</b>	<b>18,947</b>	<b>916,814</b>	<b>2,963</b>	<b>34,791</b>	<b>78,147</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 250,153</b>	<b>\$ 1,028,910</b>	<b>\$ 6,645</b>	<b>\$ 76,307</b>	<b>\$ 19,000</b>	<b>\$ 918,511</b>	<b>\$ 2,963</b>	<b>\$ 34,791</b>	<b>\$ 78,287</b>

FAULKNER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2019

Schedule 1

SPECIAL REVENUE FUNDS

	Drug Control	Breathalyzer	Jail Operation and Maintenance	County Detention Facility	Emergency 911	Public Defender	Victim Witness	Public Defender Investigator	District Court Probation
<b>ASSETS</b>									
Cash and cash equivalents	\$ 12,161	\$ 1,085	\$ 20,920	\$ 4,420	\$ 717,928	\$ 102,002	\$ 39,688	\$ 101,554	\$ 201,071
Accounts receivable	9		32,425	1,486	100,013	2,589	2,219	1,028	3,411
<b>TOTAL ASSETS</b>	<b>\$ 12,170</b>	<b>\$ 1,085</b>	<b>\$ 53,345</b>	<b>\$ 5,906</b>	<b>\$ 817,941</b>	<b>\$ 104,591</b>	<b>\$ 41,907</b>	<b>\$ 102,582</b>	<b>\$ 204,482</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable			\$ 196		\$ 3,161	\$ 963			\$ 189
Settlements pending									
<b>Total Liabilities</b>			<b>196</b>		<b>3,161</b>	<b>963</b>			<b>189</b>
<b>Fund Balances:</b>									
Restricted	\$ 12,170	\$ 1,085	53,149	\$ 5,906	814,780	103,628	\$ 41,907	\$ 102,582	204,293
Committed									
<b>Total Fund Balances</b>	<b>12,170</b>	<b>1,085</b>	<b>53,149</b>	<b>5,906</b>	<b>814,780</b>	<b>103,628</b>	<b>41,907</b>	<b>102,582</b>	<b>204,293</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 12,170</b>	<b>\$ 1,085</b>	<b>\$ 53,345</b>	<b>\$ 5,906</b>	<b>\$ 817,941</b>	<b>\$ 104,591</b>	<b>\$ 41,907</b>	<b>\$ 102,582</b>	<b>\$ 204,482</b>

FAULKNER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2019

Schedule 1

SPECIAL REVENUE FUNDS

	Drug Court Program	Public Safety (Act 749 of 1983)	Circuit Court Juvenile Division	Juvenile Court Representation	Voting System Grant	Circuit Clerk Commissioner's Fee	Emergency Squad	Museum	Road Sales Tax
<b>ASSETS</b>									
Cash and cash equivalents	\$ 40,749	\$ 10,161	\$ 27,513	\$ 734	\$ 5	\$ 12,998	\$ 307,706	\$ 45,841	\$ 2,584,637
Accounts receivable	114	8	573			1,915	5,329	3,932	66,825
<b>TOTAL ASSETS</b>	<b>\$ 40,863</b>	<b>\$ 10,169</b>	<b>\$ 28,086</b>	<b>\$ 734</b>	<b>\$ 5</b>	<b>\$ 14,913</b>	<b>\$ 313,035</b>	<b>\$ 49,773</b>	<b>\$ 2,651,462</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable			\$ 4,189				\$ 2,214	\$ 147	\$ 372,163
Settlements pending									
<b>Total Liabilities</b>			<b>4,189</b>				<b>2,214</b>	<b>147</b>	<b>372,163</b>
<b>Fund Balances:</b>									
Restricted	\$ 40,863	\$ 10,169	23,897	\$ 734	\$ 5	\$ 14,913	310,821		
Committed								49,626	2,279,299
<b>Total Fund Balances</b>	<b>40,863</b>	<b>10,169</b>	<b>23,897</b>	<b>734</b>	<b>5</b>	<b>14,913</b>	<b>310,821</b>	<b>49,626</b>	<b>2,279,299</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 40,863</b>	<b>\$ 10,169</b>	<b>\$ 28,086</b>	<b>\$ 734</b>	<b>\$ 5</b>	<b>\$ 14,913</b>	<b>\$ 313,035</b>	<b>\$ 49,773</b>	<b>\$ 2,651,462</b>

FAULKNER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2019

Schedule 1

SPECIAL REVENUE FUNDS									
	Animal Control	Federal Drug Forfeiture	Criminal Justice Sales Tax	Teen Court	Juvenile Court Grant	Juvenile Jail Grant	Circuit/District Court Security Grant	Juvenile Court Grant Non Fed/State	Mayflower Highway 89 Water Extension
ASSETS									
Cash and cash equivalents	\$ 1,646,052	\$ 53,047	\$ 872,700	\$ 10,600	\$ 3,262	\$ 21,037	\$ 165	\$ 11,053	\$ 1,383
Accounts receivable	7,088	8	69,420	21					
TOTAL ASSETS	\$ 1,653,140	\$ 53,055	\$ 942,120	\$ 10,621	\$ 3,262	\$ 21,037	\$ 165	\$ 11,053	\$ 1,383
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 1,560		\$ 30,347	\$ 846					
Settlements pending									
Total Liabilities	1,560		30,347	846					
Fund Balances:									
Restricted		\$ 53,055		9,775	\$ 3,262	\$ 21,037	\$ 165	\$ 11,053	\$ 1,383
Committed	1,651,580		911,773						
Total Fund Balances	1,651,580	53,055	911,773	9,775	3,262	21,037	165	11,053	1,383
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,653,140	\$ 53,055	\$ 942,120	\$ 10,621	\$ 3,262	\$ 21,037	\$ 165	\$ 11,053	\$ 1,383

FAULKNER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2019

Schedule 1

	SPECIAL REVENUE FUNDS								
	Homeland Security Law Enforcement Terrorism Prevention Activities - Federal	State Homeland Security Grant Program - Federal	Juvenile Court Programs Grant	Juvenile Court Grant	Juvenile Delinquency Pass Through Grant - Federal	Juvenile Court Accountability Block Grant - Federal	Edward Byrne Memorial Justice Assistance Grant (MJA) - Federal	Justice Assistance Grant (JAG) - Federal	Juvenile Drug Court Grant
<b>ASSETS</b>									
Cash and cash equivalents	\$ 188	\$ 1,970	\$ 847	\$ 989	\$ 562	\$ 7,671	\$ 414	\$ 40	\$ 3,836
Accounts receivable									
<b>TOTAL ASSETS</b>	<b>\$ 188</b>	<b>\$ 1,970</b>	<b>\$ 847</b>	<b>\$ 989</b>	<b>\$ 562</b>	<b>\$ 7,671</b>	<b>\$ 414</b>	<b>\$ 40</b>	<b>\$ 3,836</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable				\$ 50		\$ 13			
Settlements pending									
<b>Total Liabilities</b>				<b>50</b>		<b>13</b>			
<b>Fund Balances:</b>									
Restricted	\$ 188	\$ 1,970	\$ 847	939	\$ 562	7,658	\$ 414	\$ 40	\$ 3,836
Committed									
<b>Total Fund Balances</b>	<b>188</b>	<b>1,970</b>	<b>847</b>	<b>939</b>	<b>562</b>	<b>7,658</b>	<b>414</b>	<b>40</b>	<b>3,836</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 188</b>	<b>\$ 1,970</b>	<b>\$ 847</b>	<b>\$ 989</b>	<b>\$ 562</b>	<b>\$ 7,671</b>	<b>\$ 414</b>	<b>\$ 40</b>	<b>\$ 3,836</b>

FAULKNER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2019

Schedule 1

	SPECIAL REVENUE FUNDS				
	County Library	Communication Facility and Equipment	Local Law Enforcement Block Grant	Tax Assessor Late Assessment Fee	Drug Control Fund - Prosecuting Attorney
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,057,511	\$ 235,813	\$ 2	\$ 26,542	\$ 30,416
Accounts receivable	86,379			64	429
<b>TOTAL ASSETS</b>	<b>\$ 2,143,890</b>	<b>\$ 235,813</b>	<b>\$ 2</b>	<b>\$ 26,606</b>	<b>\$ 30,845</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 16,715				
Settlements pending					
<b>Total Liabilities</b>	<b>16,715</b>				
<b>Fund Balances:</b>					
Restricted	2,127,175	\$ 235,813	\$ 2	\$ 26,606	\$ 30,845
Committed					
<b>Total Fund Balances</b>	<b>2,127,175</b>	<b>235,813</b>	<b>2</b>	<b>26,606</b>	<b>30,845</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,143,890</b>	<b>\$ 235,813</b>	<b>\$ 2</b>	<b>\$ 26,606</b>	<b>\$ 30,845</b>

FAULKNER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2019

Schedule 1

CUSTODIAL FUNDS

	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Juvenile Court Accounts	Totals
<b>ASSETS</b>							
Cash and cash equivalents	\$ 4,147,226	\$ 1,711,032	\$ 533,144	\$ 157,650	\$ 744,702	\$ 8,687	\$ 18,513,295
Accounts receivable							807,271
<b>TOTAL ASSETS</b>	<b>\$ 4,147,226</b>	<b>\$ 1,711,032</b>	<b>\$ 533,144</b>	<b>\$ 157,650</b>	<b>\$ 744,702</b>	<b>\$ 8,687</b>	<b>\$ 19,320,566</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable							\$ 436,810
Settlements pending	\$ 4,147,226	\$ 1,711,032	\$ 533,144	\$ 157,650	\$ 744,702	\$ 8,687	7,302,441
<b>Total Liabilities</b>	<b>4,147,226</b>	<b>1,711,032</b>	<b>533,144</b>	<b>157,650</b>	<b>744,702</b>	<b>8,687</b>	<b>7,739,251</b>
<b>Fund Balances:</b>							
Restricted							6,689,037
Committed							4,892,278
<b>Total Fund Balances</b>							<b>11,581,315</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,147,226</b>	<b>\$ 1,711,032</b>	<b>\$ 533,144</b>	<b>\$ 157,650</b>	<b>\$ 744,702</b>	<b>\$ 8,687</b>	<b>\$ 19,320,566</b>

FAULKNER 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, 2019

Schedule 2

SPECIAL REVENUE FUNDS									
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Sheriff's Automation	Reappraisal Cost	Child Support Cost
REVENUES									
State aid				\$ 44,890				\$ 451,809	
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 14,370						
Interest	\$ 4,698	\$ 17,122	236	1,865	\$ 529	\$ 16,134	\$ 89		\$ 1,631
Officers' fees					56,714	779,143	5,748		8,845
Jail fees									
911 fees									
Donations									
Treasurer's commission	47,943								
Collector's commission		250,000							
Taxes apportioned - Assessor's salary and expense								44,622	
Other	305					250		28	
<b>TOTAL REVENUES</b>	<b>52,946</b>	<b>267,122</b>	<b>14,606</b>	<b>46,755</b>	<b>57,243</b>	<b>795,527</b>	<b>5,837</b>	<b>496,459</b>	<b>10,476</b>
Less: Treasurer's commission	29	106	89	289	324	4,815	35		64
<b>NET REVENUES</b>	<b>52,917</b>	<b>267,016</b>	<b>14,517</b>	<b>46,466</b>	<b>56,919</b>	<b>790,712</b>	<b>5,802</b>	<b>496,459</b>	<b>10,412</b>
EXPENDITURES									
Current:									
General government	57,423	164,570		27,089	74,139	720,409		461,700	2,155
Law enforcement			15,000				7,500		
Highways and streets									
Public safety									
Recreation and culture									
<b>TOTAL EXPENDITURES</b>	<b>57,423</b>	<b>164,570</b>	<b>15,000</b>	<b>27,089</b>	<b>74,139</b>	<b>720,409</b>	<b>7,500</b>	<b>461,700</b>	<b>2,155</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(4,506)</b>	<b>102,446</b>	<b>(483)</b>	<b>19,377</b>	<b>(17,220)</b>	<b>70,303</b>	<b>(1,698)</b>	<b>34,759</b>	<b>8,257</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>(4,506)</b>	<b>102,446</b>	<b>(483)</b>	<b>19,377</b>	<b>(17,220)</b>	<b>70,303</b>	<b>(1,698)</b>	<b>34,759</b>	<b>8,257</b>
FUND BALANCES - JANUARY 1	253,605	925,351	7,128	56,930	36,167	846,511	4,661	32	69,890
FUND BALANCES - DECEMBER 31	<b>\$ 249,099</b>	<b>\$ 1,027,797</b>	<b>\$ 6,645</b>	<b>\$ 76,307</b>	<b>\$ 18,947</b>	<b>\$ 916,814</b>	<b>\$ 2,963</b>	<b>\$ 34,791</b>	<b>\$ 78,147</b>

FAULKNER 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, 2019

Schedule 2

SPECIAL REVENUE FUNDS									
	Drug Control	Breathalyzer	Jail Operation and Maintenance	County Detention Facility	Emergency 911	Public Defender	Victim Witness	Public Defender Investigator	District Court Probation
REVENUES									
State aid						\$ 3,318			
Federal aid					\$ 19,676				
Property taxes									
Sales taxes									
Fines, forfeitures, and costs	\$ 52,180		\$ 399,525	\$ 7,683		35,940	\$ 26,235	\$ 11,820	
Interest	666	\$ 23	675	93	15,706		942	2,017	\$ 4,254
Officers' fees									61,428
Jail fees				9,124					
911 fees					547,477				
Donations									
Treasurer's commission									
Collector's commission									
Taxes apportioned - Assessor's salary and expense									
Other	1,462		867		23,494	2,228			
<b>TOTAL REVENUES</b>	<b>54,308</b>	<b>23</b>	<b>401,067</b>	<b>16,900</b>	<b>606,353</b>	<b>41,486</b>	<b>27,177</b>	<b>13,837</b>	<b>65,682</b>
Less: Treasurer's commission	4		2,467	103	1,019	218	155	86	425
<b>NET REVENUES</b>	<b>54,304</b>	<b>23</b>	<b>398,600</b>	<b>16,797</b>	<b>605,334</b>	<b>41,268</b>	<b>27,022</b>	<b>13,751</b>	<b>65,257</b>
EXPENDITURES									
Current:									
General government									
Law enforcement	55,654		405,806	14,500		46,952	27,400		41,996
Highways and streets									
Public safety					556,686				
Recreation and culture									
<b>TOTAL EXPENDITURES</b>	<b>55,654</b>		<b>405,806</b>	<b>14,500</b>	<b>556,686</b>	<b>46,952</b>	<b>27,400</b>		<b>41,996</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,350)</b>	<b>23</b>	<b>(7,206)</b>	<b>2,297</b>	<b>48,648</b>	<b>(5,684)</b>	<b>(378)</b>	<b>13,751</b>	<b>23,261</b>
OTHER FINANCING SOURCES (USES)									
Transfers in								23,500	
Transfers out							(23,500)		
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>							<b>(23,500)</b>	<b>23,500</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(1,350)</b>	<b>23</b>	<b>(7,206)</b>	<b>2,297</b>	<b>48,648</b>	<b>(5,684)</b>	<b>(23,878)</b>	<b>37,251</b>	<b>23,261</b>
FUND BALANCES - JANUARY 1	13,520	1,062	60,355	3,609	766,132	109,312	65,785	65,331	181,032
FUND BALANCES - DECEMBER 31	<u>\$ 12,170</u>	<u>\$ 1,085</u>	<u>\$ 53,149</u>	<u>\$ 5,906</u>	<u>\$ 814,780</u>	<u>\$ 103,628</u>	<u>\$ 41,907</u>	<u>\$ 102,582</u>	<u>\$ 204,293</u>

FAULKNER 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, 2019

Schedule 2

	SPECIAL REVENUE FUNDS								
	Drug Court Program	Public Safety (Act 749 of 1983)	Circuit Court Juvenile Division	Juvenile Court Representation	Voting System Grant	Circuit Clerk Commissioner's Fee	Emergency Squad	Museum	Road Sales Tax
REVENUES									
State aid						\$ 8,980			
Federal aid									\$ 77,188
Property taxes							90,423	\$ 70,732	
Sales taxes									4,372,755
Fines, forfeitures, and costs		\$ 322	\$ 2,488						
Interest	\$ 736	216	999	\$ 16		\$ 267	6,044	654	86,723
Officers' fees			33,599			2,922			
Jail fees									
911 fees									
Donations									
Treasurer's commission									
Collector's commission									
Taxes apportioned - Assessor's salary and expense									
Other	7,231		10				297	988	
<b>TOTAL REVENUES</b>	7,967	538	37,096	16		3,189	105,744	72,374	4,536,666
Less: Treasurer's commission	51	4	255			10	623	1,369	29,830
<b>NET REVENUES</b>	7,916	534	36,841	16		3,179	105,121	71,005	4,506,836
EXPENDITURES									
Current:									
General government									
Law enforcement			67,007						
Highways and streets									5,733,234
Public safety							89,491		
Recreation and culture								66,729	
<b>TOTAL EXPENDITURES</b>			67,007			0	89,491	66,729	5,733,234
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	7,916	534	(30,166)	16		3,179	15,630	4,276	(1,226,398)
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>	7,916	534	(30,166)	16		3,179	15,630	4,276	(1,226,398)
FUND BALANCES - JANUARY 1	32,947	9,635	54,063	718	\$ 5	11,734	295,191	45,350	3,505,697
FUND BALANCES - DECEMBER 31	40,863	10,169	23,897	734	\$ 5	14,913	310,821	49,626	2,279,299

FAULKNER 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, 2019

Schedule 2

	SPECIAL REVENUE FUNDS								
	Animal Control	Federal Drug Forfeiture	Criminal Justice Sales Tax	Teen Court	Juvenile Court Grant	Juvenile Jail Grant	Circuit/District Court Security Grant	Juvenile Court Grant Non Fed/State	Mayflower Highway 89 Water Extension
REVENUES									
State aid						\$ 20,783			
Federal aid		\$ 52,456	\$ 30,485						
Property taxes	\$ 117,921								
Sales taxes			4,372,755						
Fines, forfeitures, and costs	672			\$ 1,252					
Interest	34,231	602	16,163	273	\$ 68	356	\$ 4	\$ 220	
Officers' fees									
Jail fees									
911 fees									
Donations				5,000	313			2,500	
Treasurer's commission									
Collector's commission									
Taxes apportioned - Assessor's salary and expense									
Other	1,086		34,207						
<b>TOTAL REVENUES</b>	<b>153,910</b>	<b>53,058</b>	<b>4,453,610</b>	<b>6,525</b>	<b>381</b>	<b>21,139</b>	<b>4</b>	<b>2,720</b>	
Less: Treasurer's commission	913	4	29,395	9					
<b>NET REVENUES</b>	<b>152,997</b>	<b>53,054</b>	<b>4,424,215</b>	<b>6,516</b>	<b>381</b>	<b>21,139</b>	<b>4</b>	<b>2,720</b>	
EXPENDITURES									
Current:									
General government									
Law enforcement	27,855		4,964,289	8,281		63,427		729	
Highways and streets									
Public safety									
Recreation and culture									
<b>TOTAL EXPENDITURES</b>	<b>27,855</b>		<b>4,964,289</b>	<b>8,281</b>		<b>63,427</b>		<b>729</b>	
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>125,142</b>	<b>53,054</b>	<b>(540,074)</b>	<b>(1,765)</b>	<b>381</b>	<b>(42,288)</b>	<b>4</b>	<b>1,991</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>125,142</b>	<b>53,054</b>	<b>(540,074)</b>	<b>(1,765)</b>	<b>381</b>	<b>(42,288)</b>	<b>4</b>	<b>1,991</b>	
FUND BALANCES - JANUARY 1	1,526,438	1	1,451,847	11,540	2,881	63,325	161	9,062	\$ 1,383
FUND BALANCES - DECEMBER 31	<u>\$ 1,651,580</u>	<u>\$ 53,055</u>	<u>\$ 911,773</u>	<u>\$ 9,775</u>	<u>\$ 3,262</u>	<u>\$ 21,037</u>	<u>\$ 165</u>	<u>\$ 11,053</u>	<u>\$ 1,383</u>

FAULKNER 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, 2019

Schedule 2

	SPECIAL REVENUE FUNDS							
	Homeland Security Law Enforcement Terrorism Prevention Activities - Federal	State Homeland Security Grant Program - Federal	Juvenile Court Programs Grant	Juvenile Court Grant	Juvenile Delinquency Pass Through Grant - Federal	Juvenile Court Accountability Block Grant - Federal	Edward Byrne Memorial Justice Assistance Grant (MJA) - Federal	Justice Assistance Grant (JAG) - Federal
REVENUES								
State aid								
Federal aid	\$ 505,861							\$ 11,765
Property taxes								
Sales taxes								
Fines, forfeitures, and costs								
Interest			\$ 18	\$ 7	\$ 43	\$ 240		32
Officers' fees								
Jail fees								
911 fees								
Donations								
Treasurer's commission								
Collector's commission								
Taxes apportioned - Assessor's salary and expense								
Other				1,500				
<b>TOTAL REVENUES</b>	<b>505,861</b>		<b>18</b>	<b>1,507</b>	<b>43</b>	<b>240</b>		<b>11,797</b>
Less: Treasurer's commission								
<b>NET REVENUES</b>	<b>505,861</b>		<b>18</b>	<b>1,507</b>	<b>43</b>	<b>240</b>		<b>11,797</b>
EXPENDITURES								
Current:								
General government								
Law enforcement	505,861			1,670	4,318	3,561		
Highways and streets								
Public safety								11,765
Recreation and culture								
<b>TOTAL EXPENDITURES</b>	<b>505,861</b>			<b>1,670</b>	<b>4,318</b>	<b>3,561</b>		<b>11,765</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>			<b>18</b>	<b>(163)</b>	<b>(4,275)</b>	<b>(3,321)</b>		<b>32</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>18</b>	<b>(163)</b>	<b>(4,275)</b>	<b>(3,321)</b>		<b>32</b>
FUND BALANCES - JANUARY 1	188	\$ 1,970	829	1,102	4,837	10,979	\$ 414	8
FUND BALANCES - DECEMBER 31	\$ 188	\$ 1,970	\$ 847	\$ 939	\$ 562	\$ 7,658	\$ 414	\$ 40

FAULKNER 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, 2019

Schedule 2

SPECIAL REVENUE FUNDS

	Juvenile Drug Court Grant	County Library	Communication Facility and Equipment	Local Law Enforcement Block Grant	Rocky Gap Water Project	Tax Assessor Late Assessment Fee	Drug Control Fund - Prosecuting Attorney	Totals
REVENUES								
State aid		\$ 177,225						\$ 707,005
Federal aid					\$ 3,495		\$ 30,546	731,472
Property taxes		1,723,631				\$ 1,515		2,004,222
Sales taxes								8,745,510
Fines, forfeitures, and costs								552,487
Interest	\$ 88	40,659	\$ 3,497			421	490	259,747
Officers' fees			318,763					1,267,162
Jail fees								9,124
911 fees								547,477
Donations								7,813
Treasurer's commission								47,943
Collector's commission								250,000
Taxes apportioned - Assessor's salary and expense						2,661		47,283
Other		102,572				10,002		186,527
<b>TOTAL REVENUES</b>	<b>88</b>	<b>2,044,087</b>	<b>322,260</b>		<b>3,495</b>	<b>14,599</b>	<b>31,036</b>	<b>15,363,772</b>
Less: Treasurer's commission		11,595				28	191	84,505
<b>NET REVENUES</b>	<b>88</b>	<b>2,032,492</b>	<b>322,260</b>		<b>3,495</b>	<b>14,571</b>	<b>30,845</b>	<b>15,279,267</b>
EXPENDITURES								
Current:								
General government					3,509	59,673		1,570,667
Law enforcement	493		257,572					6,519,871
Highways and streets								5,733,234
Public safety								657,942
Recreation and culture		1,991,334						2,058,063
<b>TOTAL EXPENDITURES</b>	<b>493</b>	<b>1,991,334</b>	<b>257,572</b>		<b>3,509</b>	<b>59,673</b>		<b>16,539,777</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(405)</b>	<b>41,158</b>	<b>64,688</b>		<b>(14)</b>	<b>(45,102)</b>	<b>30,845</b>	<b>(1,260,510)</b>
OTHER FINANCING SOURCES (USES)								
Transfers in						71,708		95,208
Transfers out								(23,500)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>						<b>71,708</b>		<b>71,708</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(405)</b>	<b>41,158</b>	<b>64,688</b>		<b>(14)</b>	<b>26,606</b>	<b>30,845</b>	<b>(1,188,802)</b>
FUND BALANCES - JANUARY 1	4,241	2,086,017	171,125	\$ 2	14			12,770,117
FUND BALANCES - DECEMBER 31	<u>\$ 3,836</u>	<u>\$ 2,127,175</u>	<u>\$ 235,813</u>	<u>\$ 2</u>	<u>\$ 0</u>	<u>\$ 26,606</u>	<u>\$ 30,845</u>	<u>\$ 11,581,315</u>

FAULKNER COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2019

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

<u>Fund Name</u>	<u>Fund Description</u>
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 commission 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.
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 purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive at least 35% of fees collected by county clerks to be used to purchase, maintain, and operate an automated records system.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate an automated records system.
Sheriff's Automation	Ark. Code Ann. § 27-53-210 established fund to partially reimburse county law enforcement agency for cost of making copies of accident reports and traffic violations. Funds collected shall be retained for support of the law enforcement agency.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Child Support Cost	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.
Breathalyzer	Ark. Code Ann. § 16-10-308 established fund to receive revenues generated from court costs to be used to maintain and purchase breathalyzer.

FAULKNER COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2019

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

<u>Fund Name</u>	<u>Fund Description</u>
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the County Jail.
County Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive a \$20 booking and administration fee assessed on person 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.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service and telephone providers for 911 emergency services.
Public Defender	Ark. Code Ann. § 16-307 established the County Administration of Justice Fund which continued to finance this fund to be used for defense of indigents.
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.
Public Defender Investigator	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for defense of indigents.
District Court Probation	Ark. Code Ann. § 5-4-322 authorized district court probation fees for probation and public service work supervision.
Drug Court Program	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Public Safety (Act 749 of 1983)	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines levied for violations of the Child Passenger Protection Code to be used for promotion of public safety.
Circuit Court Juvenile Division	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.

FAULKNER COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2019

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile Court Representation	Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile cases.
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 expense of the office of Circuit Clerk.
Emergency Squad	Faulkner County Ordinance no. 77-23 (June 7, 1977) established fund to provide emergency services to the County.
Museum	Faulkner County Ordinance no. 01-11 (April 18, 2001) established a voluntary millage to support the county museum.
Road Sales Tax	Faulkner County Ordinance no. 99-24 (December 28, 1999) and 99-25 (December 28, 1999) established fund to receive road sales tax to be used to construct and maintain roads in the County.
Animal Control	Faulkner County Ordinance no. 05-11 (May 17, 2005) established a fund to be used for animal control.
Federal Drug Forfeiture	Ark. Code Ann. § 5-64-505 established fund to receive federal drug seizure cases.
Criminal Justice Sales Tax	Faulkner County Ordinance no. 99-24 (December 28, 1999) and 99-25 (December 28, 1999) established fund to receive sales tax to be used for criminal justice purposes.
Teen Court	Established to account for donations for the Teen Court.
Juvenile Court Grant	Established to account for donations administered by juvenile courts.
Juvenile Jail Grant	Established to account for state grant for juvenile incarceration.
Circuit/District 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.

FAULKNER COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2019

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile Court Grant Non Fed/State	Established to receive juvenile court grants from private organizations.
Mayflower Highway 89 Water Extension	Established to account for federal grant for Mayflower Hwy 89 water extension.
Homeland Security Law Enforcement Terrorism Prevention Activities - Federal	Established to account for federal grant for Law Enforcement Terrorism Prevention Activities (LETPA) CFDA 97.067.
State Homeland Security Grant Program - Federal	Established to account for federal grant for Law Enforcement State Homeland Security Grant Program (SHSGP) CFDA 97.067.
Juvenile Court Programs Grant	Established to account for federal grant for juvenile courts.
Juvenile Court Grant	Established to account for federal grant for juvenile courts.
Juvenile Delinquency Pass Through Grant - Federal	Established to account for federal grant for Juvenile Justice and Delinquency Prevention CFDA 16.540.
Juvenile Court Accountability Block Grant - Federal	Established to account for federal grant for Juvenile Accountability Grant (JAG) CFDA 16.523.
Edward Byrne Memorial Justice Assistance Grant (MJA) - Federal	Established to account for federal grant for Edward Byrne Memorial Assistance Grant CFDA 16.579.
Justice Assistance Grant (JAG) - Federal	Established to account for federal grant for Edward Byrne Memorial Assistance Grant CFDA 16.738.
Juvenile Drug Court Grant	Established to account for federal grant for juvenile drug courts.
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.

FAULKNER COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2019

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

<u>Fund Name</u>	<u>Fund Description</u>
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of Sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.
Local Law Enforcement Block Grant	Established to account for a grant received from the State of Arkansas for local law enforcement programs.
Rocky Gap Water Project	Established to account for federal grant for Rocky Gap Community Development Block Grant.
Tax Assessor Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
Drug Control Fund - Prosecuting Attorney	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to Prosecuting Attorney.

Treasurer's accounts consist primarily of property taxes, treasurer's commission, collector's commission, and interest not distributed to the appropriate 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 primarily of trust money and fee money to be settled with the treasurer.

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

Juvenile Court accounts consist primarily of settlements due to the county and/or state.

FAULKNER COUNTY, ARKANSAS  
 OTHER INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 DECEMBER 31, 2019  
 (Unaudited)

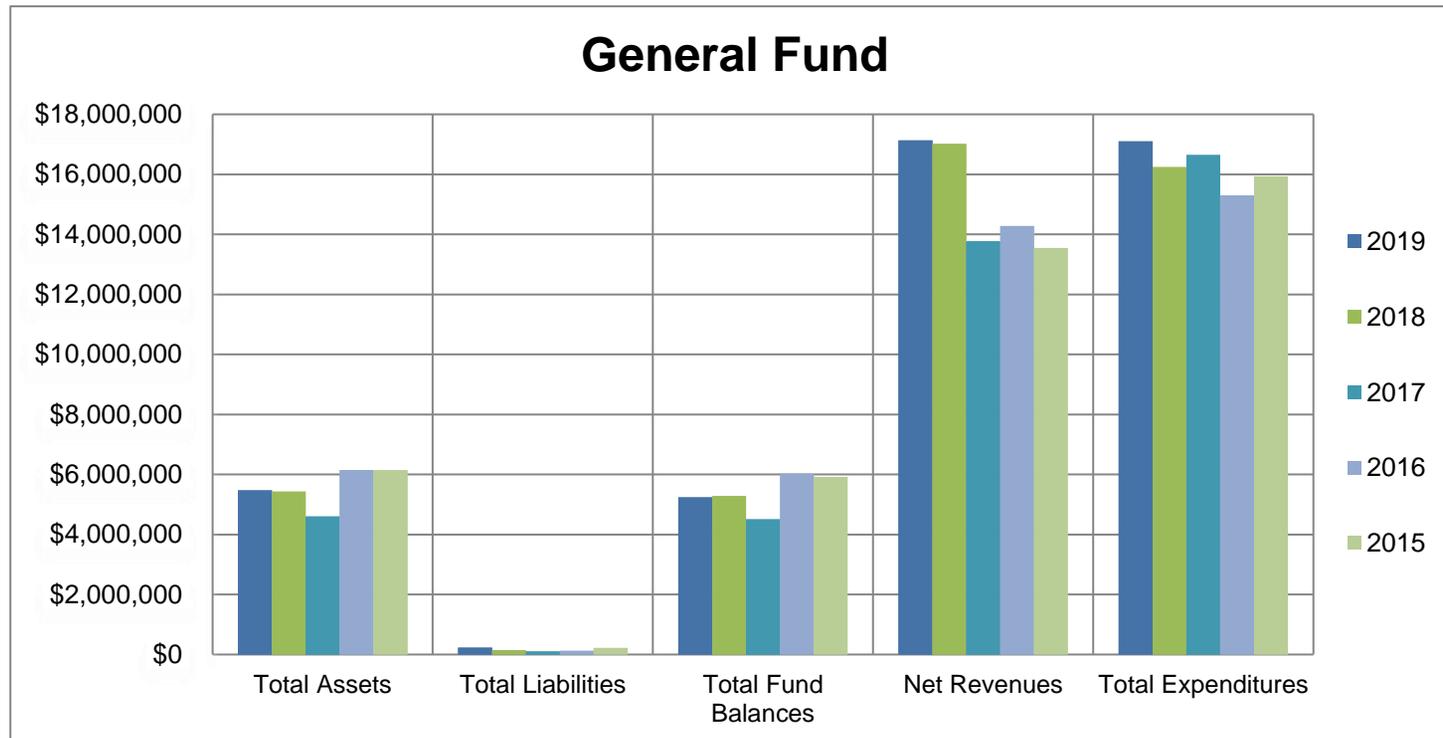
Schedule 3

	December 31, 2019
<b>General Fixed Assets</b>	
Land and Buildings	\$ 30,588,392
Equipment	19,044,105
<b>Total</b>	<b>49,632,497</b>
 <b>Fixed Assets - Library</b>	
Land and Buildings	4,057,390
Equipment	309,333
<b>Total</b>	<b>4,366,723</b>
 <b>Fixed Assets - Museum</b>	
Land and Buildings	105,000
Equipment	12,292
<b>Total</b>	<b>117,292</b>
 <b>Grand Total</b>	 <b>\$ 54,116,512</b>

FAULKNER COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
 DECEMBER 31, 2019  
 (Unaudited)

Schedule 4-1

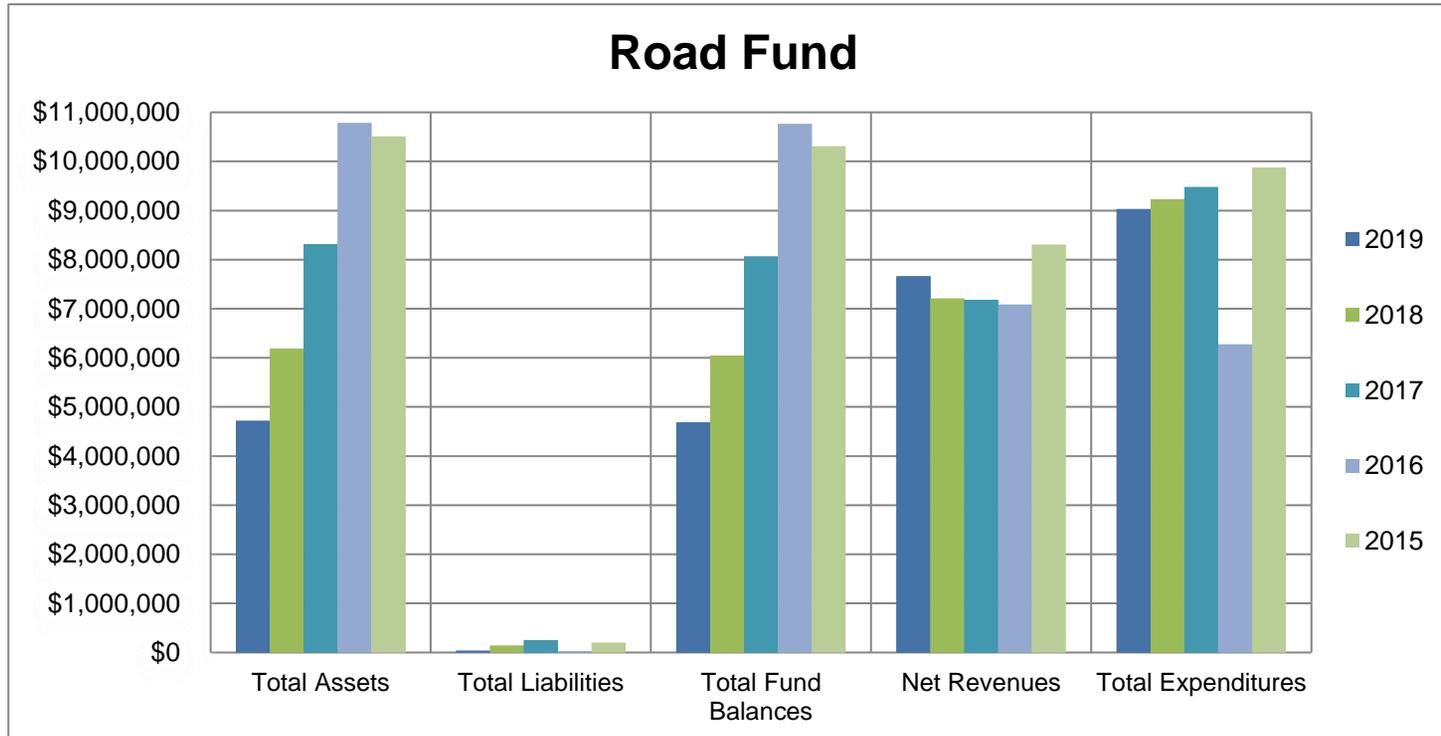
<u>General</u>	2019	2018	2017	2016	2015
Total Assets	\$ 5,472,062	\$ 5,424,868	\$ 4,596,920	\$ 6,147,973	\$ 6,134,506
Total Liabilities	232,407	147,195	96,789	122,985	222,834
Total Fund Balances	5,239,655	5,277,673	4,500,131	6,024,988	5,911,672
Net Revenues	17,129,773	17,016,058	13,771,058	14,277,764	13,543,908
Total Expenditures	17,096,083	16,238,516	16,639,395	15,299,433	15,936,115
Total Other Financing Sources/Uses	(71,708)		1,343,480	1,252,679	1,257,515



FAULKNER COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
 DECEMBER 31, 2019  
 (Unaudited)

Schedule 4-2

<u>Road</u>	2019	2018	2017	2016	2015
Total Assets	\$ 4,717,778	\$ 6,187,119	\$ 8,313,740	\$ 10,781,673	\$ 10,509,986
Total Liabilities	35,200	141,230	250,707	22,470	199,591
Total Fund Balances	4,682,578	6,045,889	8,063,033	10,759,203	10,310,395
Net Revenues	7,664,327	7,210,660	7,184,677	7,083,589	8,301,464
Total Expenditures	9,027,638	9,227,804	9,475,933	6,275,773	9,870,187
Total Other Financing Sources/Uses			(404,914)	(359,008)	(315,999)



FAULKNER COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
 DECEMBER 31, 2019  
 (Unaudited)

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2019	2018	2017	2016	2015
Total Assets	\$ 19,320,566	\$ 23,617,877	\$ 24,724,492	\$ 22,278,334	\$ 26,581,784
Total Liabilities	7,739,251	10,847,760	11,342,028	10,121,818	9,241,632
Total Fund Balances	11,581,315	12,770,117	13,382,464	12,156,516	17,340,152
Net Revenues	15,279,267	15,874,416	15,700,128	14,232,699	14,125,846
Total Expenditures	16,539,777	16,486,763	13,482,602	18,552,858	16,347,433
Total Other Financing Sources/Uses	71,708		(938,566)	(893,671)	(941,516)

