

Cleveland County, Arkansas

Financial and Compliance Report

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



CLEVELAND COUNTY, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2017

Financial and Compliance Report

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Arkansas

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Senate Chair
Sen. Lance Eads
Senate Vice Chair



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House Chair
Rep. Mary Bentley
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

A priority of Arkansas Legislative Audit is to assist county government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of county governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Cleveland County, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated October 1, 2018. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2017:

County Judge: Gary Spears
Treasurer: Jack Hopson
Sheriff: Jack H. Rodgers
Tax Collector: Patti Wilson
County and Circuit Clerk: Jimmy Cummings
Assessor: Donna Sims
County Librarian: Hilda Terry

We evaluated the County's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

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

County Judge/County and Circuit Clerk

The portion of the County Judge's salary paid from the Road Fund exceeded fifty percent (50%), in noncompliance with Ark. Code Ann. § 14-14-811.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local County government, state executive and oversight 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 "Roger A. Norman".

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

Little Rock, Arkansas
October 1, 2018
LOCO01317

CLEVELAND COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2017
(UNAUDITED)

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 1,990,400	\$ 638,503	\$ 2,157,430
Investments			
Accounts receivable	<u>33,450</u>	<u>21,440</u>	<u>101,426</u>
TOTAL ASSETS	<u><u>\$ 2,023,850</u></u>	<u><u>\$ 659,943</u></u>	<u><u>\$ 2,258,856</u></u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 17,068	\$ 8,170	
Settlements pending	<u>74,009</u>		<u>\$ 233,133</u>
Total Liabilities	<u><u>91,077</u></u>	<u><u>8,170</u></u>	<u><u>233,133</u></u>
Fund Balances:			
Restricted			1,791,146
Committed		651,773	108,200
Assigned	27,803		126,377
Unassigned	<u>1,904,970</u>		
Total Fund Balances	<u><u>1,932,773</u></u>	<u><u>651,773</u></u>	<u><u>2,025,723</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 2,023,850</u></u>	<u><u>\$ 659,943</u></u>	<u><u>\$ 2,258,856</u></u>

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

CLEVELAND COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 459,481	\$ 1,122,037	\$ 44,213
Federal aid		106,932	
Property taxes	422,186	207,891	75,947
Sales taxes	106,851	237,831	976,401
Fines, forfeitures, and costs	157,487		57,763
Interest	25,761	745	11,348
Officers' fees	20,322		49,672
911 fees			102,316
Jail fees			20,074
Sanitation fees			5,651
Treasurer's commission	58,623		8,948
Collector's commission	77,633		16,721
Taxes apportioned - Assessor's salary and expense	104,248		
Other	130,031	12,747	15,889
	<u>1,562,623</u>	<u>1,688,183</u>	<u>1,384,943</u>
TOTAL REVENUES			
Less: Treasurer's commission	10,923	21,892	24,392
	<u>1,551,700</u>	<u>1,666,291</u>	<u>1,360,551</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	701,672		111,715
Law enforcement	760,846		76,705
Highways and streets		1,589,077	
Public safety	26,717		116,694
Sanitation			554,289
Health	15,312		51,472
Recreation and culture			101,754
Social services	50,028		317
Total Current	<u>1,554,575</u>	<u>1,589,077</u>	<u>1,012,946</u>
Debt Service:			
Lease principal		17,469	
Lease interest		476	
Note principal		21,926	
Note interest		2,792	
	<u>1,554,575</u>	<u>1,631,740</u>	<u>1,012,946</u>
TOTAL EXPENDITURES			

CLEVELAND COUNTY, ARKANSAS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (UNAUDITED)

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (2,875)	\$ 34,551	\$ 347,605
OTHER FINANCING SOURCES (USES)			
Transfers in	25,000		2,604
Transfers out	(2,604)		(25,000)
TOTAL OTHER FINANCING SOURCES (USES)	22,396		(22,396)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	19,521	34,551	325,209
FUND BALANCES - JANUARY 1	1,913,252	617,222	1,700,514
FUND BALANCES - DECEMBER 31	\$ 1,932,773	\$ 651,773	\$ 2,025,723

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

CLEVELAND 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, 2017
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 410,467	\$ 459,481	\$ 49,014	\$ 1,047,120	\$ 1,122,037	\$ 74,917
Federal aid				100,000	106,932	6,932
Property taxes	385,411	422,186	36,775	189,822	207,891	18,069
Sales taxes	96,679	106,851	10,172	231,844	237,831	5,987
Fines, forfeitures, and costs	165,360	157,487	(7,873)			
Interest	23,715	25,761	2,046	191	745	554
Officers' fees	22,091	20,322	(1,769)			
Treasurer's commission	73,000	58,623	(14,377)			
Collector's commission	155,049	77,633	(77,416)			
Taxes apportioned - Assessor's salary and expense	101,564	104,248	2,684			
Other	115,298	130,031	14,733	12,274	12,747	473
TOTAL REVENUES	1,548,634	1,562,623	13,989	1,581,251	1,688,183	106,932
Less: Treasurer's commission		10,923	(10,923)		21,892	(21,892)
NET REVENUES	1,548,634	1,551,700	3,066	1,581,251	1,666,291	85,040
EXPENDITURES						
Current:						
General government	672,236	701,672	(29,436)			
Law enforcement	867,871	760,846	107,025			
Highways and streets				1,796,874	1,589,077	207,797
Public safety	30,673	26,717	3,956			
Health	15,417	15,312	105			
Social services	55,203	50,028	5,175			
Total Current	1,641,400	1,554,575	86,825	1,796,874	1,589,077	207,797
Debt Service:						
Lease principal					17,469	(17,469)
Lease interest					476	(476)
Note principal					21,926	(21,926)
Note interest					2,792	(2,792)
TOTAL EXPENDITURES	1,641,400	1,554,575	86,825	1,796,874	1,631,740	165,134

CLEVELAND 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, 2017
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (92,766)	\$ (2,875)	\$ 89,891	\$ (215,623)	\$ 34,551	\$ 250,174
OTHER FINANCING SOURCES (USES)						
Transfers in	161,000	25,000	(136,000)			
Transfers out		(2,604)	(2,604)			
TOTAL OTHER FINANCING SOURCES (USES)	161,000	22,396	(138,604)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	68,234	19,521	(48,713)	(215,623)	34,551	250,174
FUND BALANCES - JANUARY 1		1,913,252	1,913,252		617,222	617,222
FUND BALANCES - DECEMBER 31	\$ 68,234	\$ 1,932,773	\$ 1,864,539	\$ (215,623)	\$ 651,773	\$ 867,396

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

CLEVELAND COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS							
	Communication Facility and Equipment	County Recorder's Cost	CMRS 911 Board (Commercial Mobile Radio Service)	Cleveland County Solid Waste	Ambulance	Sheriff's Equipment	Jail Maintenance	County Public Library
ASSETS								
Cash and cash equivalents	\$ 34,006	\$ 17,239	\$ 4,450	\$ 795,874	\$ 629,406	\$ 105,644	\$ 16,244	\$ 144,019
Accounts receivable	148	2,764		73,657	9,343	2,556		7,400
TOTAL ASSETS	\$ 34,154	\$ 20,003	\$ 4,450	\$ 869,531	\$ 638,749	\$ 108,200	\$ 16,244	\$ 151,419
LIABILITIES AND FUND BALANCES								
Liabilities:								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 34,154	\$ 20,003	\$ 4,450	\$ 743,161	\$ 638,749		\$ 16,244	\$ 151,419
Committed						\$ 108,200		
Assigned				126,370				
Total Fund Balances	34,154	20,003	4,450	869,531	638,749	108,200	16,244	151,419
TOTAL LIABILITIES AND FUND BALANCES	\$ 34,154	\$ 20,003	\$ 4,450	\$ 869,531	\$ 638,749	\$ 108,200	\$ 16,244	\$ 151,419

CLEVELAND COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS								
	Additional District Judge's Retirement	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	Support Collections Costs
ASSETS								
Cash and cash equivalents	\$ 37,895	\$ 5,928	\$ 25,061	\$ 10	\$ 9,796	\$ 4,836	\$ 197	\$ 2,042
Accounts receivable			5,193	8			24	64
TOTAL ASSETS	\$ 37,895	\$ 5,928	\$ 30,254	\$ 18	\$ 9,796	\$ 4,836	\$ 221	\$ 2,106
LIABILITIES AND FUND BALANCES								
Liabilities:								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 37,895	\$ 5,928	\$ 30,254	\$ 18	\$ 9,796	\$ 4,836	\$ 221	\$ 2,106
Committed								
Assigned								
Total Fund Balances	37,895	5,928	30,254	18	9,796	4,836	221	2,106
TOTAL LIABILITIES AND FUND BALANCES	\$ 37,895	\$ 5,928	\$ 30,254	\$ 18	\$ 9,796	\$ 4,836	\$ 221	\$ 2,106

CLEVELAND COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS							
	Boating Safety and Enforcement	Solid Waste Recycling Grant	Automated Record System	Indigent Defense	Circuit Court Juvenile Division	Juvenile Court Cost	Circuit Clerk Commissioner's Fee	Special Jail Maintenance
ASSETS								
Cash and cash equivalents	\$ 7,308	\$ 14,576	\$ 2,260		\$ 2,119	\$ 69	\$ 1,367	\$ 7,826
Accounts receivable	47			\$ 142	20			60
TOTAL ASSETS	<u>\$ 7,355</u>	<u>\$ 14,576</u>	<u>\$ 2,260</u>	<u>\$ 142</u>	<u>\$ 2,139</u>	<u>\$ 69</u>	<u>\$ 1,367</u>	<u>\$ 7,886</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 7,355	\$ 14,576	\$ 2,260	\$ 142	\$ 2,139	\$ 69	\$ 1,367	\$ 7,886
Committed								
Assigned								
Total Fund Balances	<u>7,355</u>	<u>14,576</u>	<u>2,260</u>	<u>142</u>	<u>2,139</u>	<u>69</u>	<u>1,367</u>	<u>7,886</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,355</u>	<u>\$ 14,576</u>	<u>\$ 2,260</u>	<u>\$ 142</u>	<u>\$ 2,139</u>	<u>\$ 69</u>	<u>\$ 1,367</u>	<u>\$ 7,886</u>

CLEVELAND COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS					
	Cleveland County Fair Grant	Lee Township Grant	Arkansas Hunger Grant	Arkansas Community and Economic Development Grant #794-00141-08	Hospital Maintenance	Assessor's Late Penalty
ASSETS						
Cash and cash equivalents	\$ 4,000	\$ 431	\$ 246	\$ 7	\$ 30,718	\$ 108
Accounts receivable						
TOTAL ASSETS	<u>\$ 4,000</u>	<u>\$ 431</u>	<u>\$ 246</u>	<u>\$ 7</u>	<u>\$ 30,718</u>	<u>\$ 108</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Settlements pending						
Total Liabilities						
Fund Balances:						
Restricted	\$ 4,000	\$ 431	\$ 246		\$ 30,718	\$ 108
Committed						
Assigned				\$ 7		
Total Fund Balances	<u>4,000</u>	<u>431</u>	<u>246</u>	<u>7</u>	<u>30,718</u>	<u>108</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,000</u>	<u>\$ 431</u>	<u>\$ 246</u>	<u>\$ 7</u>	<u>\$ 30,718</u>	<u>\$ 108</u>

CLEVELAND COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

	<u>CAPITAL PROJECTS FUNDS</u>			<u>AGENCY FUNDS</u>				
	Courthouse Restoration Grant	Water Reservoir	Cleveland County Water Project	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County and Circuit Clerk's Accounts	Totals
ASSETS								
Cash and cash equivalents	\$ 1	\$ 20,602	\$ 12	\$ 17,690	\$ 25,279	\$ 8,356	\$ 181,808	\$ 2,157,430
Accounts receivable								101,426
TOTAL ASSETS	<u>\$ 1</u>	<u>\$ 20,602</u>	<u>\$ 12</u>	<u>\$ 17,690</u>	<u>\$ 25,279</u>	<u>\$ 8,356</u>	<u>\$ 181,808</u>	<u>\$ 2,258,856</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Settlements pending				\$ 17,690	\$ 25,279	\$ 8,356	\$ 181,808	\$ 233,133
Total Liabilities				<u>17,690</u>	<u>25,279</u>	<u>8,356</u>	<u>181,808</u>	<u>233,133</u>
Fund Balances:								
Restricted	\$ 1	\$ 20,602	\$ 12					1,791,146
Committed								108,200
Assigned								126,377
Total Fund Balances	<u>1</u>	<u>20,602</u>	<u>12</u>					<u>2,025,723</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1</u>	<u>\$ 20,602</u>	<u>\$ 12</u>	<u>\$ 17,690</u>	<u>\$ 25,279</u>	<u>\$ 8,356</u>	<u>\$ 181,808</u>	<u>\$ 2,258,856</u>

CLEVELAND 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, 2017
 (UNAUDITED)

Schedule 2

SPECIAL REVENUE FUNDS

	Communication Facility and Equipment	County Recorder's Cost	CMRS 911 Board (Commercial Mobile Radio Service)	Cleveland County Solid Waste	Ambulance	Sheriff's Equipment	Jail Maintenance	County Public Library	Additional District Judge's Retirement
REVENUES									
State aid								\$ 20,420	
Property taxes								75,800	
Sales taxes				\$ 867,857	\$ 108,544				
Fines, forfeitures, and costs						\$ 13,308	\$ 30,022		\$ 8,105
Interest	\$ 39	\$ 19		4,924	5,966	119	30	174	
Officers' fees	5,170	42,417							
911 fees			\$ 102,316						
Jail fees						18,954			
Sanitation fees				5,651					
Treasurer's commission									
Collector's commission									
Other	1,453			2,904	374	4,500		6,591	
TOTAL REVENUES	6,662	42,436	102,316	881,336	114,884	36,881	30,052	102,985	8,105
Less: Treasurer's commission	131	883		17,482	2,277	700	601	1,921	162
NET REVENUES	6,531	41,553	102,316	863,854	112,607	36,181	29,451	101,064	7,943
EXPENDITURES									
General government		35,053							
Law enforcement	2,794					29,087	38,025		228
Public safety			112,717						
Sanitation				553,955					
Health					46,495				
Recreation and culture								101,754	
Social services									
TOTAL EXPENDITURES	2,794	35,053	112,717	553,955	46,495	29,087	38,025	101,754	228
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,737	6,500	(10,401)	309,899	66,112	7,094	(8,574)	(690)	7,715
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out					(25,000)				
TOTAL OTHER FINANCING SOURCES (USES)					(25,000)				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,737	6,500	(10,401)	309,899	41,112	7,094	(8,574)	(690)	7,715
FUND BALANCES - JANUARY 1	30,417	13,503	14,851	559,632	597,637	101,106	24,818	152,109	30,180
FUND BALANCES - DECEMBER 31	\$ 34,154	\$ 20,003	\$ 4,450	\$ 869,531	\$ 638,749	\$ 108,200	\$ 16,244	\$ 151,419	\$ 37,895

CLEVELAND 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, 2017
 (UNAUDITED)

Schedule 2

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	Support Collections Costs	Boating Safety and Enforcement	Solid Waste Recycling Grant
REVENUES									
State aid					\$ 1,950			\$ 1,143	
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 296	\$ 2,380					
Interest	\$ 4	\$ 26		11				8	
Officers' fees						\$ 204	\$ 838		
911 fees									
Jail fees									
Sanitation fees									
Treasurer's commission	8,948								
Collector's commission		16,721							
Other							64	3	
TOTAL REVENUES	8,952	16,747	296	2,391	1,950	204	902	1,154	
Less: Treasurer's commission		1	6	51		4	18	22	
NET REVENUES	8,952	16,746	290	2,340	1,950	200	884	1,132	
EXPENDITURES									
General government	9,896	10,735	1,136		2,326	186	958		
Law enforcement				375					
Public safety									
Sanitation									\$ 334
Health									
Recreation and culture									
Social services									
TOTAL EXPENDITURES	9,896	10,735	1,136	375	2,326	186	958		334
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(944)	6,011	(846)	1,965	(376)	14	(74)	1,132	(334)
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	(944)	6,011	(846)	1,965	(376)	14	(74)	1,132	(334)
FUND BALANCES - JANUARY 1	6,872	24,243	864	7,831	5,212	207	2,180	6,223	14,910
FUND BALANCES - DECEMBER 31	\$ 5,928	\$ 30,254	\$ 18	\$ 9,796	\$ 4,836	\$ 221	\$ 2,106	\$ 7,355	\$ 14,576

CLEVELAND 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, 2017
 (UNAUDITED)

Schedule 2

SPECIAL REVENUE FUNDS

	Automated Record System	Indigent Defense	Circuit Court Juvenile Division	Juvenile Court Cost	Circuit Clerk Commissioner's Fee	Special Jail Maintenance	Cleveland County Fair Grant	Lee Township Grant	Arkansas Hunger Grant
REVENUES									
State aid							\$ 4,000		
Property taxes									
Sales taxes									
Fines, forfeitures, and costs		\$ 3,652							
Interest			\$ 2						
Officers' fees			660		\$ 383				
911 fees									
Jail fees						\$ 1,120			
Sanitation fees									
Treasurer's commission									
Collector's commission									
Other									
TOTAL REVENUES		3,652	662		383	1,120	4,000		
Less: Treasurer's commission		73	13		20	23			
NET REVENUES		3,579	649		363	1,097	4,000		
EXPENDITURES									
General government					109		4,000		
Law enforcement		6,196							
Public safety						3,977			
Sanitation									
Health									
Recreation and culture									
Social services									\$ 317
TOTAL EXPENDITURES		6,196			109	3,977	4,000		317
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(2,617)	649		254	(2,880)			(317)
OTHER FINANCING SOURCES (USES)									
Transfers in		2,604							
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)		2,604							
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		(13)	649		254	(2,880)			(317)
FUND BALANCES - JANUARY 1	\$ 2,260	155	1,490	\$ 69	1,113	10,766	4,000	\$ 431	563
FUND BALANCES - DECEMBER 31	<u>\$ 2,260</u>	<u>\$ 142</u>	<u>\$ 2,139</u>	<u>\$ 69</u>	<u>\$ 1,367</u>	<u>\$ 7,886</u>	<u>\$ 4,000</u>	<u>\$ 431</u>	<u>\$ 246</u>

CLEVELAND 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, 2017
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS			Totals	
	Arkansas Community and Economic Development Grant #794-00141-08	Hospital Maintenance	Assessor's Late Penalty	Courthouse Restoration Grant	Water Reservoir	General Improvement Funded Community Enhancement Grant		Cleveland County Water Project
REVENUES								
State aid				\$ 16,700			\$ 44,213	
Property taxes	\$ 37	\$ 110					75,947	
Sales taxes							976,401	
Fines, forfeitures, and costs							57,763	
Interest					\$ 26		11,348	
Officers' fees							49,672	
911 fees							102,316	
Jail fees							20,074	
Sanitation fees							5,651	
Treasurer's commission							8,948	
Collector's commission							16,721	
Other							15,889	
TOTAL REVENUES	37	110		16,700	26		1,384,943	
Less: Treasurer's commission	<u>1</u>	<u>2</u>			<u>1</u>		<u>24,392</u>	
NET REVENUES	36	108		16,700	25		1,360,551	
EXPENDITURES								
General government				16,700		\$ 30,616	111,715	
Law enforcement							76,705	
Public safety							116,694	
Sanitation							554,289	
Health	4,977						51,472	
Recreation and culture							101,754	
Social services							317	
TOTAL EXPENDITURES	4,977			16,700		30,616	1,012,946	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,941)</u>	<u>108</u>			<u>25</u>	<u>(30,616)</u>	<u>347,605</u>	
OTHER FINANCING SOURCES (USES)								
Transfers in							2,604	
Transfers out							(25,000)	
TOTAL OTHER FINANCING SOURCES (USES)							(22,396)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(4,941)	108		25	(30,616)		325,209	
FUND BALANCES - JANUARY 1	\$ 7	35,659		1	20,577	30,616	\$ 12	1,700,514
FUND BALANCES - DECEMBER 31	<u>\$ 7</u>	<u>\$ 30,718</u>	<u>\$ 108</u>	<u>\$ 1</u>	<u>\$ 20,602</u>	<u>\$ 0</u>	<u>\$ 12</u>	<u>\$ 2,025,723</u>

CLEVELAND COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017
 (UNAUDITED)

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 and phone commission funds to be used for communications equipment and repair and to train operations staff.
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.
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.
Cleveland County Solid Waste	Cleveland County Ordinance nos. 2014-6 and 2014-7 (February 3, 2014) established fund to account for the 2% sales and use tax passed by election of the voters on May 20, 2014 for the operation and maintenance of the solid waste system for the County. Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges, and licenses.
Ambulance	Cleveland County Ordinance nos. 2004-8 and 2004-9 (September 21, 2004) and Cleveland County Ordinance no. 2004-38 (December 6, 2004) established fund to account for the sales and use tax passed by election of the voters on November 2, 2004 to operate and maintain an ambulance service for Cleveland County.
Sheriff's Equipment	Cleveland County Ordinance nos. 1998-5 and 1998-6 (April 6, 1998) established fund to account for circuit court ordered fines to be used for sheriff's equipment expenses.
Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.

CLEVELAND COUNTY, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2017
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
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 Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 16-20-407 established fund to account for a \$2 marriage license fee to be used for operation of the county clerk's office.
Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.
Solid Waste Recycling Grant	Cleveland County Ordinance no. 2012-7 (July 2, 2012) established fund to receive solid waste recycling grant for solid waste salaries.
Automated Record System	Established to receive grant funds from Automated Records System Fund to purchase updated hardware and software.
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.
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.

CLEVELAND COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017
 (UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
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.
Juvenile Court Cost	Ark. Code Ann. § 9-27-316 established fund to collect fees and costs to offset expenses of juvenile representation.
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.
Special Jail Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
Cleveland County Fair Grant	Established to account for a grant received for the purpose of county fair improvements.
Lee Township Grant	Established to receive grant funds from the Southeast Arkansas Economic Development District for general improvements.
Arkansas Hunger Grant	Established to receive grant funds from the Arkansas Hunger Relief Alliance for items needed by the hunger relief organization other than salaries.

CLEVELAND COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017
 (UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Arkansas Community and Economic Development Grant #794-00141-08	Established to account for U.S. Department of Housing and Urban Development Disaster Recovery Grant for bridge replacement received from Arkansas Community and Economic Development.
Hospital Maintenance	Ark. Const. amend. 32 established fund to collect and disburse property tax to be used for maintenance, operation, and support of public hospital.
Assessor's Late Penalty	Act 161 of 2017 amended Ark. Code Ann. §26-26-201(d) to establish fund to account for assessor's late assessment fee.
Courthouse Restoration Grant	Established to receive a grant from Southeast Arkansas Planning Development District for repairs to restore the Courthouse.
Water Reservoir	Established to account for a Governor's improvement grant to construct a water reservoir in Cleveland County to provide a source of drinking water.
General Improvement Funded Community Enhancement Grant	Cleveland County Ordinance no. 2012-7 (July 2, 2012) established fund to receive grant for the construction of a community center. Cleveland County Ordinance no. 2013-7 (April 1, 2013), Cleveland County Ordinance no. 2013-12 (December 3, 2013), and Cleveland County Ordinance no. 2014-1 (January 6, 2014) committed general funds to continue construction.
Cleveland County Water Project	Established to account for U.S. Department of Housing and Urban Development Grant to replace service lines for the Cleveland County Water Users Association that were damaged due to heavy rains and flooding during 2008 received from Arkansas Community and Economic Development.

Treasurer's accounts consist primarily of funds held as an agent for other entities.

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

Sheriff's accounts consist primarily of fees settlement, bonds, and forfeitures.

County/Circuit Clerk's accounts consist primarily of fees settlement and trust money.

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

1. **A. 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.

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 Special Revenue Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

Agency Funds - Agency Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The Agency Funds presented on Schedule 1 are reported with other funds in the aggregate.

B. 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 collector's commission, which was distributed August 1, 2018. 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.

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

1. **Basis of Presentation - Regulatory Fund Accounting (Continued)**

C. 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, funds held in trust, 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.

D. 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.

E. Budget Law

1. Legal Requirements

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

2. Accounting

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

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

1. **Basis of Presentation - Regulatory Fund Accounting (Continued)**

F. 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.

For classification of fund balance amounts, restricted resources are considered spent before unrestricted. 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.

2. **Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2017, are composed of the following:

<u>Description</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>Other Funds in the Aggregate</u>
Fund Balances:			
Restricted for:			
General government			\$ 71,101
Law enforcement			107,794
Public safety			12,336
Sanitation			757,737
Health			669,467
Recreation and culture			151,850
Social services			246
Capital outlay			<u>20,615</u>
Total Restricted			<u>1,791,146</u>
Committed for:			
Law enforcement			108,200
Highways and streets		\$ 651,773	
Total Committed		<u>651,773</u>	<u>108,200</u>
Assigned to:			
General government	\$ 26,262		7
Law enforcement	1,541		
Sanitation			126,370
Total Assigned	<u>27,803</u>		<u>126,377</u>
Unassigned	<u>1,904,970</u>		
Totals	<u>\$ 1,932,773</u>	<u>\$ 651,773</u>	<u>\$ 2,025,723</u>

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

3. Commitments

Total commitments consist of the following at December 31, 2017:

	December 31, 2017
Long-term liabilities	\$ 166,488
Noncancellable lease	114,821
Reappraisal contract	160,200
 Total Commitments	 \$ 441,509

Long-term Liabilities

Long-term liabilities at December 31, 2017, are comprised of the following:

	December 31, 2017
<p>Note payable, dated June 30, 2016, with John Deere Credit on the purchase of a 2016 John Deere 160C LC Excavator, monthly payments of \$2,060 for 48 months at 3.95% interest. Payments are to be made from the Road fund.</p>	\$ 58,752
<p>Lease purchase, dated June 1, 2015, with John Deere Credit on the purchase of a 2014 John Deere 310K backhoe, 1 lease payment for \$23,184 made June 4, 2015 and one final payment due June 1, 2018 of \$39,990 at 4.7% interest. Payments are to be made from the Road Fund.</p>	35,316
Compensated absences	72,420
Total Long-term liabilities	\$ 166,488

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

Compensated Absences

Compensated absences do vest or accumulate.

Post Employment Benefits Other Than Pensions

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

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

3. Commitments (Continued)

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2017:

<u>Years Ending December 31,</u>	<u>Notes</u>	<u>Leases</u>	<u>Total</u>
2018	\$ 24,718	\$ 39,990	\$ 64,708
2019	24,718		24,718
2020	12,359		12,359
Total Obligations	61,795	39,990	101,785
Less Interest	3,043	4,674	7,717
Total Principal	<u>\$ 58,752</u>	<u>\$ 35,316</u>	<u>\$ 94,068</u>

Noncancellable Lease

The County entered into the following noncancellable lease agreements: a 2016 John Deere 670G motor grader on November 18, 2016, with monthly rental payments of \$1,624 for 36 months; a 2016 John Deere 670G motor grader on April 30, 2017, with monthly rental payments of \$1,499 for 36 months; and a 2017 John Deere 670G motor grader and front scarifier on July 16, 2017, with monthly rental payments of \$1,233 for 36 months. At the end of the lease terms the County will return the leased equipment to the lessor. The County is obligated for the following amounts for the next three years:

<u>Year</u>	<u>December 31, 2017</u>
2018	\$ 52,274
2019	50,650
2020	11,897
Total	<u>\$ 114,821</u>

Rental expense for 2017 was \$40,376.

Reappraisal Contract

The County entered into a contract dated November 5, 2017, with Delta Mass Appraisal Service, Inc., for reappraisal services. Terms of the contract require monthly payments of \$6,675 for 60 months. The County is obligated for the following amounts for the next two years.

<u>Year</u>	<u>December 31, 2017</u>
2018	\$ 80,100
2019	80,100
	<u>\$ 160,200</u>

Reappraisal expense for 2017 was \$80,100.

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

4. Interfund Transfers

The Other Funds in the Aggregate (Ambulance) transferred \$25,000 to the General Fund to help supplement the salaries for radio dispatchers. The General Fund transferred \$2,604 to the Other Funds in the Aggregate (Indigent Defense) for current operating expenditures.

5. Joint Venture: Regional Library

Dallas, Grant, and Hot Spring Counties entered into an agreement in January 1982 in accordance with Ark. Code Ann. § 13-2-401 to establish the Mid-Arkansas Regional Library. The agreement was amended in September 1989 to include Cleveland County. The agreement states that the business of the Mid-Arkansas Regional Library shall be handled by the Regional Board composed of the chairman, one other member of each county board, and the four co-regional librarians and shall be administered by a regional director. Funds for the Mid-Arkansas Regional Library consist of state aid grants, federal funds, and any other available funds for the purchase of books, maintenance of bookmobiles, and the employment of drivers and clerks. Each county continues to supervise control over its income from that county's one mill tax and has control of its particular library. The County Library did not pay any regional library expenditures in 2016. The financial statements of the Mid-Arkansas Regional Library have not been audited. Financial information may be obtained at the Hot Spring County Library, 202 East Third Street, Malvern, Arkansas 72104.

6. Jointly Governed Organizations

Thirteenth Judicial District Drug Task Force

The Prosecuting Attorney's Office of the Thirteenth Judicial District, the Sheriff's Departments of Calhoun, Cleveland, Columbia, Dallas, Ouachita, and Union Counties, and the Police Departments of Camden, El Dorado, Fordyce, Hampton, Magnolia, Rison, and Smackover entered into an agreement to establish the Thirteenth Judicial District Drug Task Force. The agreement covers the period July 1, 2017 to June 30, 2018 and may be extended upon written mutual agreement. Funding is provided through a Drug Law Enforcement Program grant, applied for by the Prosecuting Attorney of the Thirteenth Judicial District. No contributions or payments for expenditures were made to the Thirteenth Judicial District Drug Task Force by the County. The 2017 financial statements of the Thirteenth Judicial District Drug Task Force have not been audited.

Southeast Arkansas Regional Solid Waste Management District

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

7. Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2017 (date of APERS Employer Allocation Report) were \$182,613.

CLEVELAND COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017
(UNAUDITED)

7. Arkansas Public Employees Retirement System (Continued)

Net Pension Liability

The County's proportionate share of the collective net pension liability at June 30, 2017 (actuarial valuation date and measurement date) was \$1,805,727.

8. Capital Assets

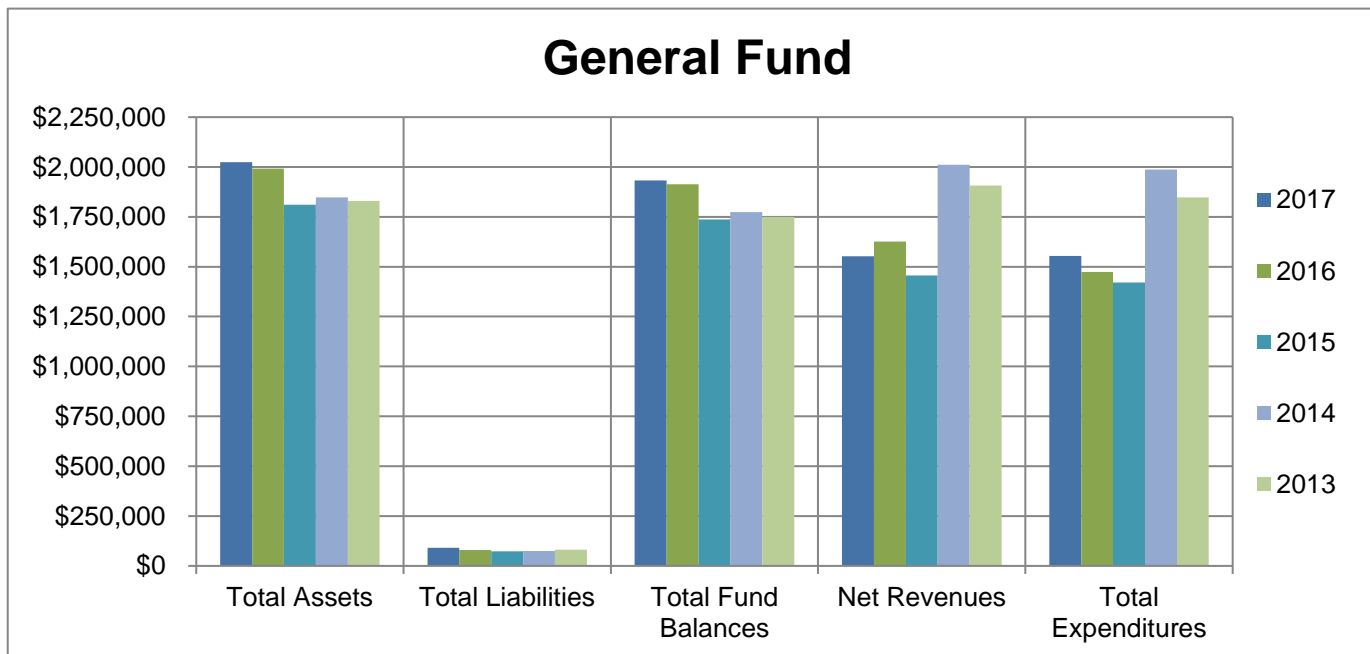
The County's capital assets records are summarized below:

	December 31, <u>2017</u>
Land and Buildings	\$ 1,577,627
Equipment	<u>2,913,578</u>
Total	<u>\$ 4,491,205</u>

CLEVELAND COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 3-1

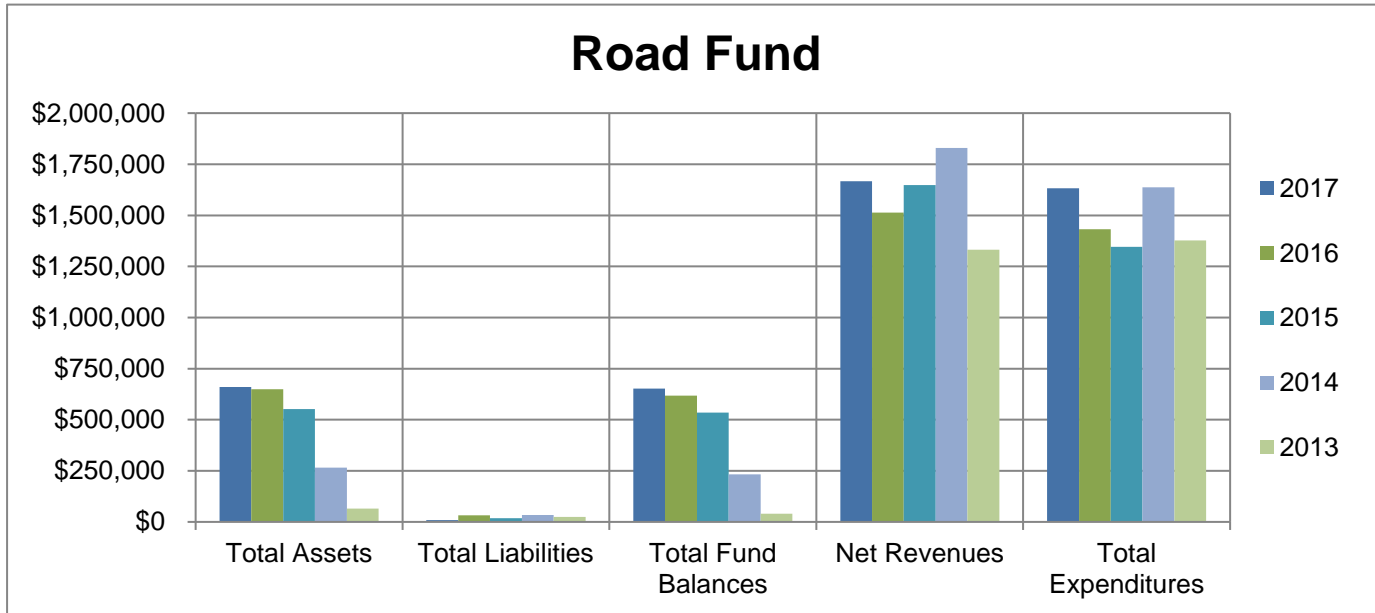
General	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 2,023,850	\$ 1,992,487	\$ 1,810,324	\$ 1,847,530	\$ 1,830,640
Total Liabilities	91,077	79,235	73,102	74,160	80,844
Total Fund Balances	1,932,773	1,913,252	1,737,222	1,773,370	1,749,796
Net Revenues	1,551,700	1,626,216	1,456,276	2,011,271	1,907,361
Total Expenditures	1,554,575	1,474,429	1,420,495	1,987,697	1,847,284
Total Other Financing Sources/Uses	22,396	24,243	40,954		(53,890)



CLEVELAND COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 3-2

<u>Road</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 659,943	\$ 649,435	\$ 552,088	\$ 265,923	\$ 64,648
Total Liabilities	8,170	32,213	17,388	33,595	24,354
Total Fund Balances	651,773	617,222	534,700	232,328	40,294
Net Revenues	1,666,291	1,513,757	1,648,264	1,829,365	1,331,713
Total Expenditures	1,631,740	1,431,235	1,345,892	1,637,331	1,377,566
Total Other Financing Sources/Uses					



CLEVELAND COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 2,258,856	\$ 1,955,557	\$ 1,699,013	\$ 1,335,715	\$ 1,058,511
Total Liabilities	233,133	290,702	329,483	342,322	201,951
Total Fund Balances	2,025,723	1,664,855	1,369,530	993,393	856,560
Net Revenues	1,360,551	1,628,452	1,416,913	629,701	958,039
Total Expenditures	1,012,946	1,308,884	1,112,705	492,868	1,021,176
Total Other Financing Sources/Uses	(22,396)	(24,243)	(40,954)		53,890

