

Crawford County, Arkansas
Regulatory Basis Financial Statements
and Other Reports

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



CRAWFORD COUNTY, ARKANSAS
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Arkansas



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Senate Chair
Sen. Lance Eads
Senate Vice Chair

Rep. Richard Womack
House Chair
Rep. Mary Bentley
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

INDEPENDENT AUDITOR'S REPORT

Crawford 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 Crawford County, Arkansas, as of and for the Year ended December 31, 2017, 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 Crawford County, Arkansas, as of December 31, 2017, 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 Crawford County, Arkansas, as of December 31, 2017, 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.

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 August 17, 2018, 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
August 17, 2018
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Arkansas

Sen. Jimmy Hickey, Jr.
Senate Chair
Sen. Lance Eads
Senate Vice Chair



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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

INDEPENDENT AUDITOR'S REPORT

Crawford 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 Crawford County, Arkansas, as of and for the year ended December 31, 2017, and the related notes to the financial statements, and have issued our report thereon dated August 17, 2018. 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*.

Other Issues

The commentary contained in this section relates to the following officials that held office during 2017:

County Judge: Dennis Gilstrap
Treasurer: Beverly Pyle
Sheriff: Ron Brown
Tax Collector: Kevin Pixley
County Clerk: Teresa Armer-Cobbe
Circuit Clerk: Sharon L. Blount-Baker
Assessor: Sandra Heiner
County Librarian: Eva White

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT



Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
August 17, 2018

CRAWFORD COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2017

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,734,953	\$ 2,409,048	\$ 12,986,565
Accounts receivable	<u>306,969</u>	<u>188,068</u>	<u>626,291</u>
TOTAL ASSETS	<u>\$ 3,041,922</u>	<u>\$ 2,597,116</u>	<u>\$ 13,612,856</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 242,957	\$ 193,915	\$ 380,570
Settlements pending			<u>1,285,910</u>
Total Liabilities	<u>242,957</u>	<u>193,915</u>	<u>1,666,480</u>
Fund Balances:			
Restricted		2,403,201	11,946,376
Assigned	99,921		
Unassigned	<u>2,699,044</u>		
Total Fund Balances	<u>2,798,965</u>	<u>2,403,201</u>	<u>11,946,376</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,041,922</u>	<u>\$ 2,597,116</u>	<u>\$ 13,612,856</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 896,691	\$ 2,544,469	\$ 263,319
Federal aid	193,436	52,031	15,000
Property taxes	2,006,119	1,278,738	852,742
Sales taxes	472,211	1,416,633	6,482,707
Fines, forfeitures, and costs	1,220,179		188,068
Interest	6,373	20,499	38,061
Officers' fees	116,281		495,510
Jail fees	677,366		121,667
Franchise fees	46,297		
Hospital lease	775,000		
911 fees			465,228
Treasurer's commission	119,480		44,315
Collector's commission	319,431		134,797
Taxes apportioned - Assessor's salary and expense	534,873		
Other	471,650	96,666	177,965
TOTAL REVENUES	7,855,387	5,409,036	9,279,379
Less: Treasurer's commission	122,364	104,229	101,060
NET REVENUES	7,733,023	5,304,807	9,178,319
EXPENDITURES			
Current:			
General government	2,940,281		866,944
Law enforcement	3,699,450		3,646,490
Highways and streets		4,892,296	
Public safety	32,982		784,005
Health	45,642		
Recreation and culture	4,000		1,354,573
Social services	104,453		
Total Current	6,826,808	4,892,296	6,652,012
Debt Service:			
Bond principal			2,785,000
Bond interest and other charges			548,275
Note principal		105,734	
Note interest		4,799	
TOTAL EXPENDITURES	6,826,808	5,002,829	9,985,287

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 906,215</u>	<u>\$ 301,978</u>	<u>\$ (806,968)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			1
Transfers out			<u>(1)</u>
TOTAL OTHER FINANCING SOURCES (USES)			<u>0</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	906,215	301,978	(806,968)
FUND BALANCES - JANUARY 1	<u>1,892,750</u>	<u>2,101,223</u>	<u>12,753,344</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,798,965</u></u>	<u><u>\$ 2,403,201</u></u>	<u><u>\$ 11,946,376</u></u>

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

CRAWFORD 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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 897,000	\$ 896,691	\$ (309)	\$ 1,400,000	\$ 2,544,469	\$ 1,144,469
Federal aid	170,000	193,436	23,436	35,300	52,031	16,731
Property taxes	2,800,000	2,006,119	(793,881)	1,577,000	1,278,738	(298,262)
Sales taxes	470,000	472,211	2,211	2,100,150	1,416,633	(683,517)
Fines, forfeitures, and costs	1,158,000	1,220,179	62,179			
Interest	6,000	6,373	373	20,000	20,499	499
Officers' fees	116,000	116,281	281			
Jail fees	350,000	677,366	327,366			
Franchise fees	40,000	46,297	6,297			
Hospital lease	775,000	775,000				
Treasurer's commission	180,000	119,480	(60,520)	61,000		(61,000)
Collector's commission		319,431	319,431			
Taxes apportioned - Assessor's salary and expense		534,873	534,873			
Other	324,146	471,650	147,504		96,666	96,666
TOTAL REVENUES	7,286,146	7,855,387	569,241	5,193,450	5,409,036	215,586
Less: Treasurer's commission	116,740	122,364	(5,624)	74,346	104,229	(29,883)
NET REVENUES	7,169,406	7,733,023	563,617	5,119,104	5,304,807	185,703
EXPENDITURES						
Current:						
General government	3,115,272	2,940,281	174,991			
Law enforcement	4,028,561	3,699,450	329,111			
Highways and streets				5,681,860	4,892,296	789,564
Public safety	66,849	32,982	33,867			
Health	45,760	45,642	118			
Recreation and culture	4,000	4,000				
Social services	107,508	104,453	3,055			
Total Current	7,367,950	6,826,808	541,142	5,681,860	4,892,296	789,564
Debt Service:						
Note principal					105,734	(105,734)
Note interest					4,799	(4,799)
TOTAL EXPENDITURES	7,367,950	6,826,808	541,142	5,681,860	5,002,829	679,031

CRAWFORD 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

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (198,544)	\$ 906,215	\$ 1,104,759	\$ (562,756)	\$ 301,978	\$ 864,734
OTHER FINANCING SOURCES (USES) Transfers in	103,559		(103,559)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(94,985)	906,215	1,001,200	(562,756)	301,978	864,734
FUND BALANCES - JANUARY 1	890,387	1,892,750	1,002,363	2,000,000	2,101,223	101,223
FUND BALANCES - DECEMBER 31	\$ 795,402	\$ 2,798,965	\$ 2,003,563	\$ 1,437,244	\$ 2,403,201	\$ 965,957

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

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County.

B. Basis of Presentation - Regulatory Fund Accounting

The financial statements are presented in accordance with the regulatory basis of presentation as prescribed or permitted by Ark. Code Ann. § 10-4-412. The law requires that the financial statements be presented on a fund basis with, as a minimum, the general fund and road fund presented separately with all other funds included in the financial statements presented in the aggregate. This law also stipulates that the financial statements consist of a balance sheet; a statement of revenues, expenditures, and changes in fund balances; a comparison of the final adopted budget to actual expenditures for the general and road funds; notes to financial statements; and a supplemental schedule of capital assets.

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

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

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

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, federal aid, and sales tax 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.

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. See Schedules 1 and 2 for the Capital Projects Fund reported with other funds in the aggregate.

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. See Schedules 1 and 2 for Debt Service Funds as 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). See Schedule 1 for Agency Funds as reported with other funds in the aggregate.

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Accounting

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available except for Treasurer's and Collector's commission and Taxes apportioned – Assessor's salary and expense which are recognized when earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. However, most state aid received from the State Treasury is by state law revenue of the year in which it was received by the government. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements.

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, excess treasurer's commission, 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. 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.
3. 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.

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law

1. Legal Requirements

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

2. Accounting

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

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.

There were no committed fund balances at year-end.

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:

	December 31, 2017	
	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 2,165,562	\$ 2,177,071
Collateralized:		
Collateral held by the County's agent, pledging bank, or pledging bank's trust department or agent in the County's name	10,255,481	10,336,299
U.S. government guaranteed accounts	5,700,201	5,700,201
Total Deposits	\$ 18,121,244	\$ 18,213,571

The above total deposits do not include cash on hand of \$9,322.

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 3: Legal or Contractual Provisions for Deposits and Investments

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

NOTE 4: Accounts Receivable

The accounts receivable balance at December 31, 2017, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Property taxes	\$ 37,927	\$ 14,576	\$ 9,358
Sales taxes	37,066	111,197	508,851
Fines, forfeitures, and costs	62,608		9,899
Interest			9
Officers' fees	6,061		36,057
Jail fees	59,808		
Franchise fees	11,617		
911fees			8,184
Other	91,882	62,295	53,933
Totals	<u>\$ 306,969</u>	<u>\$ 188,068</u>	<u>\$ 626,291</u>

NOTE 5: Accounts Payable

The accounts payable balance at December 31, 2017, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 167,920	\$ 166,816	\$ 350,438
Salaries payable	45,149	16,501	17,610
Payroll taxes payable	29,888	10,598	12,522
Totals	<u>\$ 242,957</u>	<u>\$ 193,915</u>	<u>\$ 380,570</u>

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 6: Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 919,370
Law enforcement			2,152,236
Highways and streets		\$ 2,403,201	
Public safety			1,716,164
Recreation and culture			1,185,066
Capital outlay			1,943,801
Debt service			4,029,739
Total Restricted		<u>2,403,201</u>	<u>11,946,376</u>
Assigned to:			
Public safety	<u>\$ 99,921</u>		
Unassigned	<u>2,699,044</u>		
Totals	<u>\$ 2,798,965</u>	<u>\$ 2,403,201</u>	<u>\$ 11,946,376</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, 2017, the legal debt limit for bonded debt was \$67,872,814. 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, 2017, the legal debt limit for short-term financing obligations was \$18,413,266. The amount of short-term financing obligations was \$107,933, leaving a legal debt margin of \$18,305,333.

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 8: Commitments

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

	December 31, 2017
Long-term liabilities	\$14,882,933
Noncancellable lease	216,406
Reappraisal contract	283,800
Construction contracts	1,058,324
 Total Commitments	 \$16,441,463

Long-term Liabilities

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

	December 31, 2017
Sales and Use Tax Bonds, Series 2014, for the purpose of financing the cost of a new jail facility; annual installments of \$845,000 to \$2,730,000 due on September 1 beginning in 2015 through September 2023; interest at 1.85% to 4% due March 1 and September 1 beginning March 2015. Payments are to be made from the Debt Service Fund.	\$ 14,775,000
A 2.3% note payable with Citizens Bank and Trust Company, dated June 9, 2016, for the purchase of a Caterpillar Asphalt Paver and attachments. Principal plus interest (2.3%) is due in two payments in the amount of \$110,533 each to be paid on June 9, 2017 and June 9, 2018 from the Road Fund.	107,933
 Total Long-term liabilities	 \$ 14,882,933

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

Compensated Absences

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

Post Employment Benefits Other Than Pensions

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

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 8: Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds	Notes	Total
2018	\$ 2,792,985	\$ 110,533	\$ 2,903,518
2019	2,793,385		2,793,385
2020	2,791,685		2,791,685
2021	2,793,285		2,793,285
2022	2,795,885		2,795,885
2023	2,444,260		2,444,260
Total Obligations	16,411,485	110,533	16,522,018
Less Interest	1,636,485	2,600	1,639,085
Total Principal	<u>\$ 14,775,000</u>	<u>\$ 107,933</u>	<u>\$ 14,882,933</u>

Noncancellable Lease

The County entered into the following noncancellable lease agreements for eight 2016 Caterpillar 140M3 Motor Graders and two 2016 Caterpillar 152M3 AWD Motor Graders on November 9, 2016. Terms of the lease are monthly rental payments of \$5,181, \$2,263, and \$2,055 for 36 months each. At the end of the lease term, the County will return the units to the nearest Caterpillar dealer at the County's expense. The County is obligated for the following amounts for the next two years:

Year	December 31, 2017
2018	\$ 113,979
2019	102,427
Total	<u>\$ 216,406</u>

Rental expense for 2017 was \$113,979.

Construction Contracts

The County was contractually obligated for the following construction contracts at December 31, 2017:

Project Name	Completion Date	Contract Balance December 31, 2017
Jail Exercise Yard	January 19, 2018	\$ 208,907
CID Forensic Center	August 24, 2018 (estimated)	573,987
Mountainburg Library	May 20, 2018	275,430
Total Construction Contracts		<u>\$ 1,058,324</u>

CRAWFORD COUNTY, ARKANSAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 8: Commitments (Continued)

Reappraisal Contract

The County entered into a contract, dated December 10, 2013, with Arkansas Cama Technology, Inc. for reappraisal services. The terms of the contract require \$1,419,000 to be paid in monthly installments of \$23,650 for a period of 60 months. The County was contractually obligated for the following reappraisal services at December 31, 2017:

<u>Years Ending</u> <u>December 31,</u>	<u>Amount</u>
2018	<u>\$ 283,800</u>

Reappraisal expense for 2017 was \$283,800.

NOTE 9: Interfund Transfers

The Other Funds in the Aggregate (Cost of Issuance, Series 2014) made transfers of \$1 to the Other Funds in the Aggregate (Jail Construction) for unused bond issuance costs.

NOTE 10: Pledged Revenues

The County pledged future .75% sales and use taxes to repay \$21,910,000 in bonds that were issued in 2014 to provide funding for the purpose of financing all or a portion of the costs to acquire, construct, improve, expand, equip, furnish, operate and maintain new or existing jail and law enforcement facilities, including any necessary land acquisition and utility, road and parking improvements related thereto or in support thereof and for other law enforcement purposes. For December 31, 2017, total principal and interest remaining on the bonds are \$14,775,000 and \$1,636,485, respectively, payable through September 1, 2023.

The Debt Service Fund received \$3,482,319 in sales taxes in 2017. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for any lawful purpose.

NOTE 11: Joint Venture: Western Arkansas Intermodal Authority

Sebastian and Crawford Counties, and the Cities of Fort Smith and Van Buren entered into an agreement on July 21, 2009, in accordance with Ark. Code Ann. § 14-143-103 to establish the Western Arkansas Intermodal Authority. Funding is provided by taxes levied upon and collected from shippers, transporters, or users loading or unloading freight and commerce or passengers at a terminal or facility of the Western Arkansas Intermodal Authority. The County provided \$80,000 of funding to the Western Arkansas Intermodal Authority in 2017. Separate financial statements for the Western Arkansas Intermodal Authority are available at: 1109 S 16th Street, Fort Smith, AR 72901.

NOTE 12: Jointly Governed Organization

Twelfth Judicial District Drug Task Force

The Prosecuting Attorneys of the Twelfth Judicial District and the Twenty-first Judicial District, the Sebastian and Crawford Counties' Sheriffs' Departments, and the Police Departments of Fort Smith, Alma, Greenwood, and Barling entered into an agreement to establish the Twelfth Judicial District Drug Task Force. Funding is provided by grants and the Prosecuting Attorney's offices, local Sheriffs' Departments, and local Police Departments. The County did not contribute any funds or equipment to the Twelfth Judicial District Drug Task Force. Separate financial statements for the Twelfth Judicial District Drug Task Force are available at: 901 South B Street, Fort Smith, AR 72901.

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 12: Jointly Governed Organization (Continued)

West River Valley Solid Waste Management District

Conway, Crawford, Franklin, Johnson, Logan, Perry, Pope, Scott, and Yell Counties and the Cities of Van Buren, Ozark, Atkins, Booneville, Alma, Clarksville, Russellville, Paris, Charleston, Morrilton, Waldron, and Dardanelle entered into an agreement in 1991 to form the West River Valley Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-708. The County did not provide any funding for the West River Valley Solid Waste Management District. Separate financial statements may be obtained at: 24087 Highway 164, Clarksville, AR 72830.

NOTE 13: Interlocal Agreement

City of Van Buren

The City of Van Buren and Crawford County entered into an agreement concerning the contribution to the operational expenses of the Van Buren District Court by the County. This agreement was signed on December 19, 2016, and is in reference to the 2017 fiscal year. Crawford County is to contribute to the Van Buren District Court in twelve equal installments of \$19,553 beginning in January 2017. This agreement shall be renewed annually without further action of the parties and amended to reflect the contribution amount, considered in good faith, to be appropriate.

This agreement was amended on April 12, 2017. The County's monthly allocation increased to \$22,053 beginning April 1, 2017. The County's portion for 2017 was \$257,134.

District Court Judge

Crawford County and the Cities of Van Buren, Alma, Kibler, Mulberry, Mountainburg, Dyer and Cedarville entered into an agreement to provide for a District Judge's annual salary to be paid 50% by the State and the remaining 50% to be paid 47% by Van Buren, 32% by Crawford County, 6% by Alma, 6% by Kibler, 4% by Mulberry, 3% by Mountainburg, 1% by Dyer and 1% by Cedarville. The Judge is an employee of the State of Arkansas and is elected for a four-year term. The County's portion for December 31, 2017 was \$18,774. This amount is included in the County's portion of the Van Buren District Court operational expense agreement with the City of Van Buren. The City of Van Buren is responsible for submitting to the State of Arkansas.

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.

The County participates in the Arkansas Public Entities Risk Management Association (APERMA) public entity risk pool for coverage in the following areas:

Building and Contents Program - This program is a blanket policy with coverage up to \$100,000,000 for any one loss with a \$500 deductible. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county property.

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 14: Risk Management (Continued)

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment for in-state claims is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident (\$100,000 respectively for out-of-state claims). 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 and mobile equipment which are the property of the participating county. Property is valued at the cost to repair or replace the property after deduction for depreciation. Loss amounts will be reduced by the deductible amount of \$1,000 for Sheriff's Department vehicles and \$500 for all other covered vehicles and mobile equipment. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

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

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.

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.

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 \$876,613.

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 \$8,668,167.

CRAWFORD COUNTY, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Note 16: Humana Centers, Inc., Lease Agreement Pertaining to Crawford County Memorial Hospital

On December 16, 1981, Crawford County (Lessor) entered into a lease agreement with Right of First Refusal with Humana Medical Centers, Inc., (Lessee) and Humana, Inc., (Humana or Grantor) for a term of twenty-six (26) years for certain leased premises (Crawford County Memorial Hospital). The terms of the lease provided for rent for the first year of the lease of \$2,500,000 with no rent due the second, third, fourth, and fifth years of the lease, and rent of \$775,000 being due for the sixth year of the lease and each year thereafter.

On May 27, 1983, Humana Medical Centers, Inc., subleased to American Medicorp Development Company, a wholly owned subsidiary of Humana, Inc., for \$1 per year, certain leased premises as more fully described in the sublease agreement with the terms of the sublease being the remainder of the term of the lease upon the date of execution of the sublease.

On April 11, 1984, Crawford County (Lessor) entered into a lease assignment whereby Humana Medical Centers, Inc., (Assignor) assigned all rights of the above original lease to Republic Health Corporation of Arkansas, Inc., (Assignee) and Republic Health Corporation (Guarantor).

On October 14, 1985, the Crawford County Quorum Court approved the reduction of lease payments beginning in 1987 from \$775,000 to \$250,000 plus a percentage of patient revenue, with a maximum payment of \$775,000.

On March 24, 1987, Crawford County (Lessor) entered into a lease assignment whereby Republic Health Corporation of Arkansas, Inc., (Assignor) assigned all rights of the above original lease to Van Buren H.M.A., (Assignee) and Health Management Associates, Inc., (Guarantor).

On June 2, 1997, the lease agreement between Crawford County (Lessor) and Health Management Associates, Inc., (Lessee) was amended to extend the original lease term for an additional twenty (20) years through January 31, 2028, inclusive. Additionally, effective February 1, 1997, and on the first day of February of every year thereafter, Lessee shall pay directly to Lessor the fixed sum of \$775,000 regardless of Lessee's gross revenues.

On April 4, 2000, the lease agreement between Crawford County (Lessor) and Health Management Associates, Inc., (Lessee) was amended to extend the lease term until May 4 2082, in exchange for 1.54 acres to allow Crawford County to construct a County Health Building.

On December 4, 2006, the lease agreement between Crawford County (Lessor) and Health Management Association, Inc., (Lessee) was amended to allow the assignment of the lease to Shiloh Health Services, Inc.

CRAWFORD COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017

Schedule 1

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library
ASSETS								
Cash and cash equivalents	\$ 143,334	\$ 317,535	\$ 80,936	\$ 2,469	\$ 36,525	\$ 49,765	\$ 139,775	\$ 1,313,343
Accounts receivable				26	116	1,869	7,518	23,511
TOTAL ASSETS	\$ 143,334	\$ 317,535	\$ 80,936	\$ 2,495	\$ 36,641	\$ 51,634	\$ 147,293	\$ 1,336,854
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 20,110	\$ 4,239				\$ 2,100	\$ 489	\$ 151,788
Settlements pending								
Total Liabilities	20,110	4,239				2,100	489	151,788
Fund Balances:								
Restricted	123,224	313,296	\$ 80,936	\$ 2,495	\$ 36,641	49,534	146,804	1,185,066
TOTAL LIABILITIES AND FUND BALANCES	\$ 143,334	\$ 317,535	\$ 80,936	\$ 2,495	\$ 36,641	\$ 51,634	\$ 147,293	\$ 1,336,854

CRAWFORD COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017

Schedule 1

	SPECIAL REVENUE FUNDS							
	Support Collections Costs (80%)	Communications Facility and Equipment	Drug Court Program	Federal Forfeiture	Drug Enforcement	Detention Center	Boating Safety and Enforcement	Emergency 911
ASSETS								
Cash and cash equivalents	\$ 5,308	\$ 251,813	\$ 42,962	\$ 1,160	\$ 19,108	\$ 98,001	\$ 18,578	\$ 1,130,581
Accounts receivable		1,640		1		9,860		8,184
TOTAL ASSETS	\$ 5,308	\$ 253,453	\$ 42,962	\$ 1,161	\$ 19,108	\$ 107,861	\$ 18,578	\$ 1,138,765
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 30,337			\$ 227	\$ 9,880	\$ 2,494	\$ 44,833
Settlements pending								
Total Liabilities		30,337			227	9,880	2,494	44,833
Fund Balances:								
Restricted	\$ 5,308	223,116	\$ 42,962	\$ 1,161	18,881	97,981	16,084	1,093,932
TOTAL LIABILITIES AND FUND BALANCES	\$ 5,308	\$ 253,453	\$ 42,962	\$ 1,161	\$ 19,108	\$ 107,861	\$ 18,578	\$ 1,138,765

CRAWFORD COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017

Schedule 1

SPECIAL REVENUE FUNDS

	Juvenile Probation	Circuit Clerk Commissioner's Fee	County Clerk Commissioner's Fee	Jail and Law Enforcement Sales Tax	Public Safety Sales Tax	County Recorder's Cost (75%)	Support Collections Costs (20%)
ASSETS							
Cash and cash equivalents	\$ 71,993	\$ 6,944	\$ 93	\$ 1,483,113	\$ 551,158	\$ 218,708	\$ 1,463
Accounts receivable	2,460	30		159,013	116,170	22,553	
TOTAL ASSETS	\$ 74,453	\$ 6,974	\$ 93	\$ 1,642,126	\$ 667,328	\$ 241,261	\$ 1,463
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable				\$ 47,959	\$ 48,903	\$ 9,489	
Settlements pending							
Total Liabilities				47,959	48,903	9,489	
Fund Balances:							
Restricted	\$ 74,453	\$ 6,974	\$ 93	1,594,167	618,425	231,772	\$ 1,463
TOTAL LIABILITIES AND FUND BALANCES	\$ 74,453	\$ 6,974	\$ 93	\$ 1,642,126	\$ 667,328	\$ 241,261	\$ 1,463

CRAWFORD COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017

Schedule 1

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUND	DEBT SERVICE FUNDS	
	Homeland Security	Courthouse Security Grant	State Grant GIF Mitigation	Medical Research Council (MRC) Grant	Jail Construction	Sales and Use Tax Bond, Series 2014	Sales and Use Tax Revenue, Series 2014
ASSETS							
Cash and cash equivalents	\$ 3	\$ 3,776	\$ 8,204	\$ 3,807	\$ 1,943,801	\$ 3,756,391	\$ 8
Accounts receivable						273,340	
TOTAL ASSETS	\$ 3	\$ 3,776	\$ 8,204	\$ 3,807	\$ 1,943,801	\$ 4,029,731	\$ 8
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable			\$ 7,722				
Settlements pending							
Total Liabilities			7,722				
Fund Balances:							
Restricted	\$ 3	\$ 3,776	482	\$ 3,807	\$ 1,943,801	\$ 4,029,731	\$ 8
TOTAL LIABILITIES AND FUND BALANCES	\$ 3	\$ 3,776	\$ 8,204	\$ 3,807	\$ 1,943,801	\$ 4,029,731	\$ 8

CRAWFORD COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017

Schedule 1

AGENCY FUNDS							
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Juvenile Probation Accounts	Totals
ASSETS							
Cash and cash equivalents	\$ 444,522	\$ 374,158	\$ 64,514	\$ 13,928	\$ 385,647	\$ 3,141	\$ 12,986,565
Accounts receivable							626,291
TOTAL ASSETS	\$ 444,522	\$ 374,158	\$ 64,514	\$ 13,928	\$ 385,647	\$ 3,141	\$ 13,612,856
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 380,570
Settlements pending	\$ 444,522	\$ 374,158	\$ 64,514	\$ 13,928	\$ 385,647	\$ 3,141	1,285,910
Total Liabilities	444,522	374,158	64,514	13,928	385,647	3,141	1,666,480
Fund Balances:							
Restricted							11,946,376
TOTAL LIABILITIES AND FUND BALANCES	\$ 444,522	\$ 374,158	\$ 64,514	\$ 13,928	\$ 385,647	\$ 3,141	\$ 13,612,856

CRAWFORD 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

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	County Recorder's Cost	County Library	Support Collections Costs (80%)
REVENUES									
State aid					\$ 13,495			\$ 240,965	
Federal aid									
Property taxes					2,128			850,614	
Sales taxes									
Fines, forfeitures, and costs			\$ 10,632	\$ 612					
Interest	\$ 284	\$ 349	128	4	61	\$ 96	\$ 276	8,359	\$ 9
Officers' fees						30,496	102,149		151
Jail fees									
911 fees									
Treasurer's commission	44,315								
Collector's commission		134,797							
Other	2	1,700	145	8	191	1,239	1,271	78,202	11
TOTAL REVENUES	44,601	136,846	10,905	624	15,875	31,831	103,696	1,178,140	171
Less: Treasurer's commission	5	2,702	222	12	314	618	2,059	22,043	3
NET REVENUES	44,596	134,144	10,683	612	15,561	31,213	101,637	1,156,097	168
EXPENDITURES									
Current:									
General government	90,625	78,567			1,972	43,239	176,216		860
Law enforcement			1,475						
Public safety									
Recreation and culture								1,354,573	
Total Current	90,625	78,567	1,475		1,972	43,239	176,216	1,354,573	860
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	90,625	78,567	1,475		1,972	43,239	176,216	1,354,573	860
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(46,029)	55,577	9,208	612	13,589	(12,026)	(74,579)	(198,476)	(692)
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	(46,029)	55,577	9,208	612	13,589	(12,026)	(74,579)	(198,476)	(692)
FUND BALANCES - JANUARY 1	169,253	257,719	71,728	1,883	23,052	61,560	221,383	1,383,542	6,000
FUND BALANCES - DECEMBER 31	\$ 123,224	\$ 313,296	\$ 80,936	\$ 2,495	\$ 36,641	\$ 49,534	\$ 146,804	\$ 1,185,066	\$ 5,308

CRAWFORD 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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Communications Facility and Equipment	Drug Court Program	Federal Forfeiture	Drug Enforcement	Detention Center	Boating Safety and Enforcement	Emergency 911	Juvenile Probation	Circuit Clerk Commissioner's Fee
REVENUES									
State aid						\$ 3,470			
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs	\$ 557	\$ 2,360			\$ 173,907				
Interest	297	70	\$ 2		137	29	\$ 1,720	\$ 106	\$ 13
Officers' fees	25,624							28,936	1,575
Jail fees	121,667								
911 fees							465,228		
Treasurer's commission									
Collector's commission									
Other	2,013	33		\$ 13,916	1,956	40	33,011	323	24
TOTAL REVENUES	150,158	2,463	2	13,916	176,000	3,539	499,959	29,365	1,612
Less: Treasurer's commission	518	50			3,499	70	2,210	572	32
NET REVENUES	149,640	2,413	2	13,916	172,501	3,469	497,749	28,793	1,580
EXPENDITURES									
Current:									
General government									1,985
Law enforcement	84,437	620	7,289	25,230	114,708	3,701		18,700	
Public safety							435,637		
Recreation and culture									
Total Current	84,437	620	7,289	25,230	114,708	3,701	435,637	18,700	1,985
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	84,437	620	7,289	25,230	114,708	3,701	435,637	18,700	1,985
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	65,203	1,793	(7,287)	(11,314)	57,793	(232)	62,112	10,093	(405)
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	65,203	1,793	(7,287)	(11,314)	57,793	(232)	62,112	10,093	(405)
FUND BALANCES - JANUARY 1	157,913	41,169	8,448	30,195	40,188	16,316	1,031,820	64,360	7,379
FUND BALANCES - DECEMBER 31	\$ 223,116	\$ 42,962	\$ 1,161	\$ 18,881	\$ 97,981	\$ 16,084	\$ 1,093,932	\$ 74,453	\$ 6,974

CRAWFORD 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

Schedule 2

	SPECIAL REVENUE FUNDS								
	County Clerk Commissioner's Fee	Jail and Law Enforcement Sales Tax	Public Safety Sales Tax	County Recorder's Cost (75%)	Support Collections Costs (20%)	Homeland Security	Courthouse Security Grant	State Grant GIF Mitigation	Medical Research Council (MRC) Grant
REVENUES									
State aid									
Federal aid							\$ 15,000	\$ 5,389	
Property taxes									
Sales taxes		\$ 1,741,159	\$ 1,259,229						
Fines, forfeitures, and costs									
Interest		9	765	\$ 487	\$ 2				
Officers' fees	\$ 95			306,446	38				
Jail fees									
911 fees									
Treasurer's commission									
Collector's commission									
Other		24,438	19,255	184	3				
TOTAL REVENUES	95	1,765,606	1,279,249	307,117	43		15,000	5,389	
Less: Treasurer's commission	2	34,787	25,172	6,169	1				
NET REVENUES	93	1,730,819	1,254,077	300,948	42		15,000	5,389	
EXPENDITURES									
Current:									
General government				448,303			11,224	13,953	
Law enforcement		1,760,765	820,338						
Public safety			348,368						
Recreation and culture									
Total Current		1,760,765	1,168,706	448,303			11,224	13,953	
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES		1,760,765	1,168,706	448,303			11,224	13,953	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	93	(29,946)	85,371	(147,355)	42		3,776	(8,564)	
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	93	(29,946)	85,371	(147,355)	42		3,776	(8,564)	
FUND BALANCES - JANUARY 1		1,624,113	533,054	379,127	1,421	\$ 3		9,046	\$ 3,807
FUND BALANCES - DECEMBER 31	\$ 93	\$ 1,594,167	\$ 618,425	\$ 231,772	\$ 1,463	\$ 3	\$ 3,776	\$ 482	\$ 3,807

CRAWFORD 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

Schedule 2

	CAPITAL PROJECTS FUND	DEBT SERVICE FUNDS			Totals
	Jail Construction	Cost of Issuance, Series 2014	Sales and Use Tax Bond, Series 2014	Sales and Use Tax Revenue, Series 2014	
REVENUES					
State aid					\$ 263,319
Federal aid					15,000
Property taxes					852,742
Sales taxes			\$ 3,482,319		6,482,707
Fines, forfeitures, and costs					188,068
Interest	\$ 9,249		15,601	\$ 8	38,061
Officers' fees					495,510
Jail fees					121,667
911 fees					465,228
Treasurer's commission					44,315
Collector's commission					134,797
Other					177,965
TOTAL REVENUES	9,249		3,497,920	8	9,279,379
Less: Treasurer's commission					101,060
NET REVENUES	9,249		3,497,920	8	9,178,319
EXPENDITURES					
Current:					
General government					866,944
Law enforcement	809,227				3,646,490
Public safety					784,005
Recreation and culture					1,354,573
Total Current	809,227				6,652,012
Debt Service:					
Bond principal			2,785,000		2,785,000
Bond interest and other charges			548,275		548,275
TOTAL EXPENDITURES	809,227		3,333,275		9,985,287
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(799,978)		164,645	8	(806,968)
OTHER FINANCING SOURCES (USES)					
Transfers in	1				1
Transfers out		\$ (1)			(1)
TOTAL OTHER FINANCING SOURCES (USES)	1	(1)			0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(799,977)	(1)	164,645	8	(806,968)
FUND BALANCES - JANUARY 1	2,743,778	1	3,865,086		12,753,344
FUND BALANCES - DECEMBER 31	\$ 1,943,801	\$ 0	\$ 4,029,731	\$ 8	\$ 11,946,376

CRAWFORD COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017

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 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. § 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.
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.
Support Collections Costs (80%)	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communications 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.
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.
Federal Forfeiture	Ark. Code Ann. § 5-64-505 established fund for the receipt and distribution of monies forfeited to the Sheriff's Office to be utilized for law enforcement purposes.
Drug Enforcement	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.

CRAWFORD COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017

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

<u>Fund Name</u>	<u>Fund Description</u>
Detention Center	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.
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.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Juvenile Probation	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
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.
County 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 the general operations expenses of the office of County Clerk.
Jail and Law Enforcement Sales Tax	Crawford County Ordinance no. 7-2014 (February 17, 2014) provides the levying of a sales and use tax for operating and maintaining jail facilities and/or securing the repayment of capital improvement bonds.
Public Safety Sales Tax	Crawford County Ordinance no. 05-2007 (February 13, 2007) provides the levying of a one percent sales and use tax, the net collections of which shall be used forty percent for public safety. This was extended by ordinance no. 2015-3 (January 26, 2015).
County Recorder's Cost (75%)	Ark. Code Ann. § 21-6-306 established fund to receive 75% of the fees collected by circuit clerks to be used to offset administrative costs.
Support Collections Costs (20%)	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Homeland Security	Established to account for grants received from Arkansas Department of Emergency Management for the purpose of purchasing equipment.

CRAWFORD COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2017

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

<u>Fund Name</u>	<u>Fund Description</u>
Courthouse 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.
State Grant GIF Mitigation	Established to account for grants received from Western Arkansas Planning and Development and Northwest Arkansas Development District for a FEMA approved multi-hazard mitigation plan.
Medical Research Council (MRC) Grant	Established to account for grants received for training and supplies for medical reserve volunteers.
Jail Construction	Crawford County Ordinance no. 24-2014 (August 18, 2014) established fund to receive proceeds from the issuance of bonds to be used for the cost of constructing a new jail.
Cost of Issuance, Series 2014	Crawford County Ordinance no. 24-2014 (August 18, 2014) established fund to receive proceeds from the issuance of bonds to be used to pay the bond issuance costs as set forth in the delivery instructions.
Sales and Use Tax Bond, Series 2014	Crawford County Ordinance no. 24-2014 (August 18, 2014) established fund to provide for the payment of principal and interest on Sales and Use Tax Bonds, series 2014.
Sales and Use Tax Revenue, Series 2014	Crawford County Ordinance no. 24-2014 (August 18, 2014) established fund to receive collections of sales taxes pledged for Sales and Use Tax Bonds, series 2014.

Treasurer's accounts consist primarily of property taxes and treasurer's commission not distributed to the appropriate authorities.

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 treasurer.

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

Juvenile Probation accounts consist primarily of fees not yet distributed to the County and restitution not yet settled with individuals.

CRAWFORD COUNTY, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2017
(Unaudited)

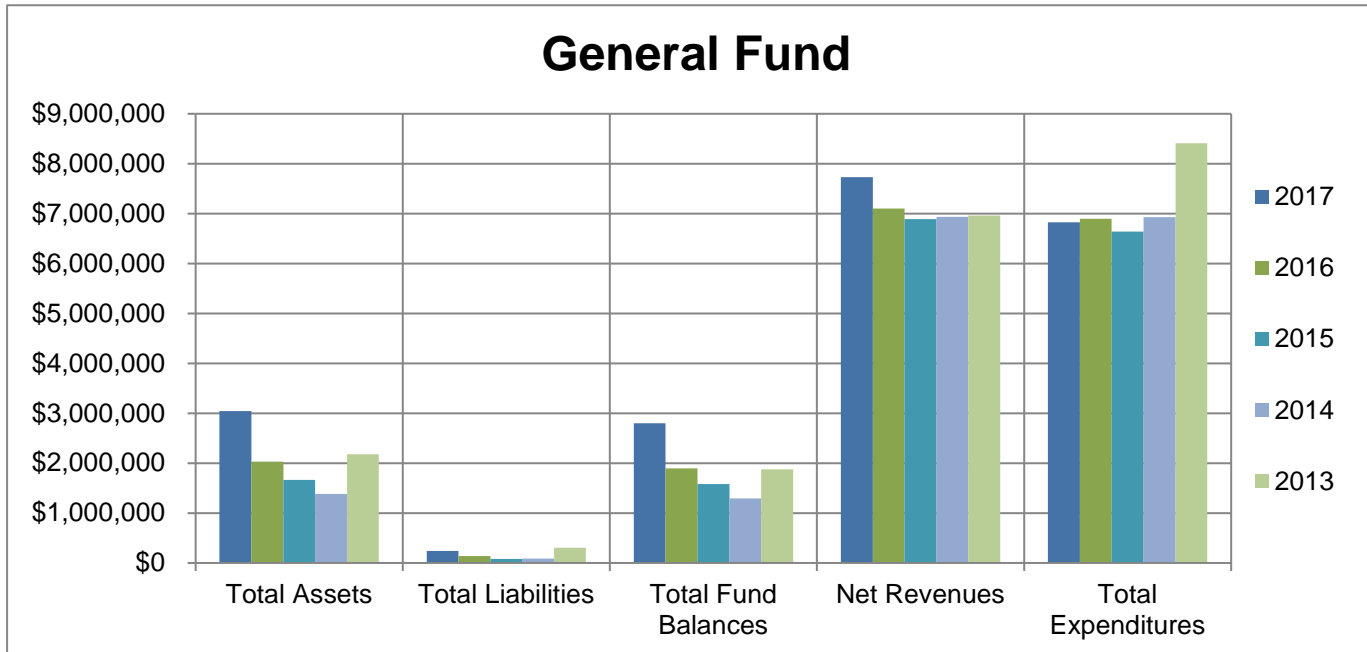
Schedule 3

	<u>December 31, 2017</u>
Land	\$ 1,010,662
Buildings and improvements	28,810,810
Equipment	12,761,756
Construction in progress	<u>17,371,829</u>
Total	<u>\$ 59,955,057</u>

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

Schedule 4-1

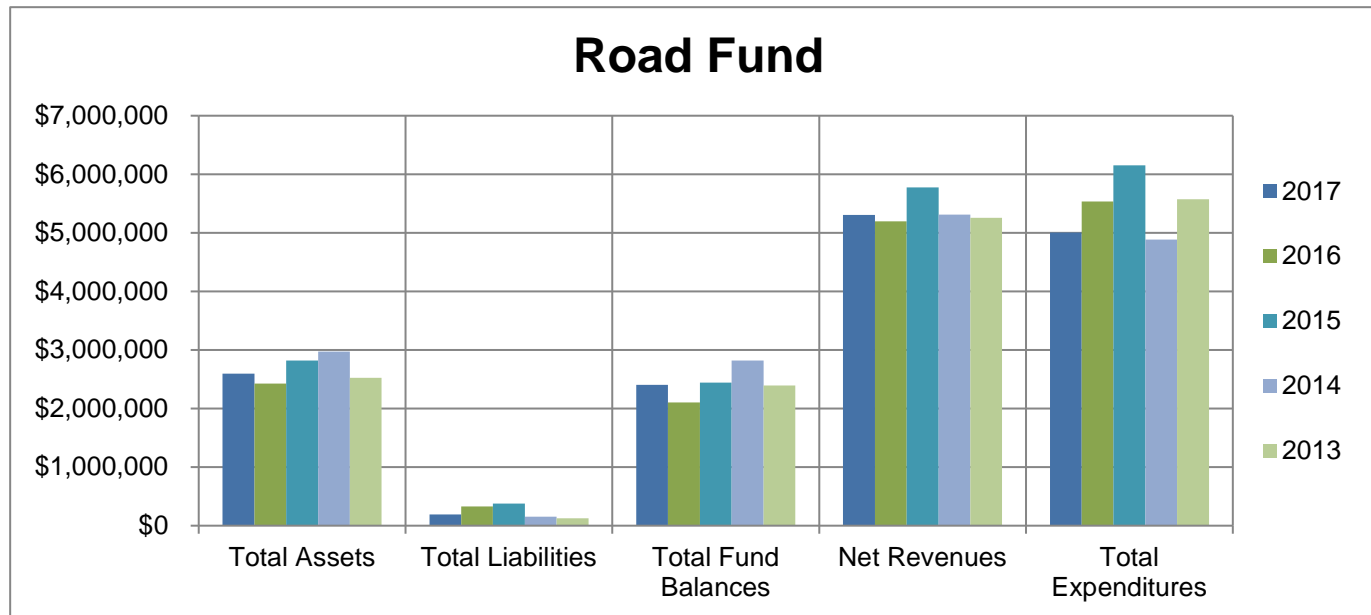
General	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 3,041,922	\$ 2,029,932	\$ 1,661,612	\$ 1,384,787	\$ 2,179,624
Total Liabilities	242,957	137,182	83,172	89,242	301,919
Total Fund Balances	2,798,965	1,892,750	1,578,440	1,295,545	1,877,705
Net Revenues	7,733,023	7,103,259	6,889,224	6,937,017	6,957,995
Total Expenditures	6,826,808	6,896,483	6,637,086	6,925,530	8,408,727
Total Other Financing Sources/Uses		107,534	30,757	(323,269)	1,411,960



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

Schedule 4-2

<u>Road</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 2,597,116	\$ 2,426,780	\$ 2,821,192	\$ 2,972,040	\$ 2,522,305
Total Liabilities	193,915	325,557	377,059	151,229	128,664
Total Fund Balances	2,403,201	2,101,223	2,444,133	2,820,811	2,393,641
Net Revenues	5,304,807	5,194,155	5,777,215	5,313,353	5,256,989
Total Expenditures	5,002,829	5,537,065	6,151,193	4,886,183	5,571,619
Total Other Financing Sources/Uses			(2,700)		707,215



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 13,612,856	\$ 14,652,920	\$ 23,629,531	\$ 27,320,246	\$ 4,259,090
Total Liabilities	1,666,480	1,899,576	1,885,200	1,311,781	1,030,712
Total Fund Balances	11,946,376	12,753,344	21,744,331	26,008,465	3,228,378
Net Revenues	9,178,319	8,742,819	8,741,821	4,569,106	2,959,313
Total Expenditures	9,985,287	17,626,272	12,977,898	5,379,600	1,570,015
Total Other Financing Sources/Uses		(107,534)	(28,057)	23,319,703	(1,411,960)

