

Greene County, Arkansas

**Regulatory Basis Financial Statements
and Other Reports**

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



GREENE COUNTY, 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

Greene 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 Greene 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 Greene 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 Greene 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 October 4, 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
October 4, 2018
LOCO02817

Arkansas

Sen. Jimmy Hickey, Jr.
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

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

Greene 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 Greene 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 October 4, 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 Issue

The following issue is not a significant deficiency, material weakness, or material instance of noncompliance, but is an issue that is presented to assist in the efficient operation of the County.

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

County Judge: Rusty McMillon
Treasurer: Debbie Cross
Sheriff: David Carter
Tax Collector: Cathy Hays
County Clerk: Phyllis Rhynes
Circuit Clerk: Jan Griffith
Assessor: Jane Moudy
County Librarian: Mike Rogers
Circuit Judge: Randy Philhours

Our audit procedures indicated that the offices of **County Judge, Treasurer, Sheriff, Tax Collector, County Clerk, Circuit Clerk, 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 office of **Circuit Judge**.

Circuit Judge

Subsequent to the Circuit Judge terminating the employment of the Trial Court Administrator, Kelsey Wilson, the Circuit Judge determined that Wilson had purchased items totaling \$612 from a vendor for personal use. In addition, it was determined that from February 1, 2017 through August 2, 2017, Wilson was paid \$1,861 in mileage reimbursements that were later determined to be fraudulent. This matter was investigated by the Paragould Police Department. Wilson was charged with Theft of Property and Forgery and ordered to pay restitution of \$2,473.

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
October 4, 2018

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,261,718	\$ 1,184,212	\$ 5,952,677
Accounts receivable	273,601	121,497	647,621
Interfund receivables	2,345		16,805
TOTAL ASSETS	\$ 2,537,664	\$ 1,305,709	\$ 6,617,103
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 102,156	\$ 68,078	\$ 141,832
Interfund payables			19,150
Settlements pending		52	1,447,741
Total Liabilities	102,156	68,130	1,608,723
Fund Balances:			
Restricted			3,934,316
Committed			126,211
Assigned	1,484,255	1,237,579	947,853
Unassigned	951,253		
Total Fund Balances	2,435,508	1,237,579	5,008,380
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,537,664	\$ 1,305,709	\$ 6,617,103

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

GREENE 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	\$ 721,309	\$ 1,756,987	\$ 100,902
Federal aid	29,779		
Property taxes	1,373,161	313,830	485,811
Sales taxes	979,267	842,286	4,290,222
Fines, forfeitures, and costs	344,217		256,984
Interest	25,123	15,194	40,768
Officers' fees	340,049		116,067
Jail fees			505,718
Emergency 911			47,988
Treasurer's commission	100,571		28,020
Collector's commission	156,844		94,275
Taxes apportioned - Assessor's salary and expense	346,358		
Other	294,314	94,913	167,908
TOTAL REVENUES	4,710,992	3,023,210	6,134,663
Less: Treasurer's commission	32,153	26,810	33,056
NET REVENUES	4,678,839	2,996,400	6,101,607
EXPENDITURES			
Current:			
General government	1,810,345		251,257
Law enforcement	2,245,735		3,251,753
Highways and streets		2,787,472	3,312
Public safety	78,503		84,881
Health	54,027		
Recreation and culture	23,700		662,161
Social services	112,706		
Total Current	4,325,016	2,787,472	4,253,364
Debt Service:			
Bond principal			1,830,000
Bond interest and other charges			272,058
Lease principal		35,007	
TOTAL EXPENDITURES	4,325,016	2,822,479	6,355,422

GREENE 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
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 353,823</u>	<u>\$ 173,921</u>	<u>\$ (253,815)</u>
OTHER FINANCING SOURCES (USES) Contributions to cities	<u>(69,553)</u>		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	284,270	173,921	(253,815)
FUND BALANCES - JANUARY 1	<u>2,151,238</u>	<u>1,063,658</u>	<u>5,262,195</u>
FUND BALANCES - DECEMBER 31	<u>\$ 2,435,508</u>	<u>\$ 1,237,579</u>	<u>\$ 5,008,380</u>

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

GREENE 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	\$ 737,039	\$ 721,309	\$ (15,730)	\$ 1,722,365	\$ 1,756,987	\$ 34,622
Federal aid	30,920	29,779	(1,141)			
Property taxes	1,333,176	1,373,161	39,985	303,120	313,830	10,710
Sales taxes	854,189	979,267	125,078	807,119	842,286	35,167
Fines, forfeitures, and costs	425,500	344,217	(81,283)			
Interest	2,100	25,123	23,023	6,500	15,194	8,694
Officers' fees	347,500	340,049	(7,451)			
Treasurer's commission	103,680	100,571	(3,109)			
Collector's commission	162,015	156,844	(5,171)			
Taxes apportioned - Assessor's salary and expense	346,102	346,358	256			
Other	366,260	294,314	(71,946)	58,900	94,913	36,013
TOTAL REVENUES	4,708,481	4,710,992	2,511	2,898,004	3,023,210	125,206
Less: Treasurer's commission	75,184	32,153	43,031	56,772	26,810	29,962
NET REVENUES	4,633,297	4,678,839	45,542	2,841,232	2,996,400	155,168
EXPENDITURES						
Current:						
General government	1,814,537	1,810,345	4,192			
Law enforcement	2,255,234	2,245,735	9,499			
Highways and streets				2,799,724	2,787,472	12,252
Public safety	79,663	78,503	1,160			
Health	54,027	54,027				
Recreation and culture	23,700	23,700				
Social services	112,161	112,706	(545)			
Total Current	4,339,322	4,325,016	14,306	2,799,724	2,787,472	12,252
Debt Service:						
Lease principal				25,487	35,007	(9,520)
TOTAL EXPENDITURES	4,339,322	4,325,016	14,306	2,825,211	2,822,479	2,732

GREENE 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	\$ 293,975	\$ 353,823	\$ 59,848	\$ 16,021	\$ 173,921	\$ 157,900
OTHER FINANCING SOURCES (USES)						
Transfers in	221,000		(221,000)			
Transfers out	(965)		965			
Contributions to cities	(71,030)	(69,553)	1,477			
TOTAL OTHER FINANCING SOURCES (USES)	149,005	(69,553)	(218,558)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	442,980	284,270	(158,710)	16,021	173,921	157,900
FUND BALANCES - JANUARY 1	1,850,000	2,151,238	301,238	1,000,000	1,063,658	63,658
FUND BALANCES - DECEMBER 31	\$ 2,292,980	\$ 2,435,508	\$ 142,528	\$ 1,016,021	\$ 1,237,579	\$ 221,558

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

GREENE 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 and property taxes that are restricted or committed for maintaining and constructing roads.

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

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. See Schedules 1 and 2 for Special Revenue Funds as reported with other funds in the aggregate.

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 the Debt Service Fund 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.

GREENE 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 and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, state aid, and commissions 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 by formal action of the Quorum Court.
3. Assigned fund balance – amounts that are constrained by the Quorum Court's intent to be used for specific purposes, but are neither restricted nor committed.
4. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

E. Property Taxes

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

F. Budget Law

1. Legal Requirements

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

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

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Budget Law (Continued)

2. Accounting

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

G. Fund Balance Classification Policies and Procedures

The County's highest level of decision-making authority is its Quorum Court. The establishment of amounts classified as committed fund balances and any subsequent modifications to such balances are the result of formal action taken by the Quorum Court through passage of an ordinance. The Quorum Court is authorized to assign amounts to a specific purpose, although a formal policy has not been established.

The County does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The County does not have a policy addressing which resources to use within the unrestricted fund balance when committed, assigned, or unassigned fund balances are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

NOTE 2: Cash Deposits with Financial Institutions

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

	<u>December 31, 2017</u>	
	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 5,166,190	\$ 5,543,200
Collateralized:		
Collateral held by the County's agent, pledging bank, or pledging bank's trust department or agent in the County's name	4,230,692	4,231,117
Total Deposits	\$ 9,396,882	\$ 9,774,317

The above total deposits do not include cash on hand of \$1,725.

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.

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

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
Federal aid	\$ 6,024		
Property taxes	58,477	\$ 12,463	\$ 20,830
Sales taxes	86,404	74,318	378,540
Fines, forfeitures, and costs	27,007		20,921
Interest	89	217	365
Officers' fees	24,533		8,089
Jail fees			55,750
Emergency 911			3,263
Treasurer's commission	662		10,027
Collector's commission	1,198		94,275
Other	27,074	2,238	15,782
Treasurer's commission charged	38,690	32,261	39,779
Totals	\$ 273,601	\$ 121,497	\$ 647,621

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	\$ 89,762	\$ 63,725	\$ 132,117
Payroll taxes payable	12,394	4,353	9,715
Totals	\$ 102,156	\$ 68,078	\$ 141,832

NOTE 6: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2017	
	Interfund Receivables	Interfund Payables
General	\$ 2,345	
Other Funds in the Aggregate:		
Special Revenue:		
Jail Operation and Maintenance Sales Tax	16,805	
Jail Operation and Maintenance		\$ 11,398
County Detention Facility		582
Victim/Witness		2,345
Jail Bond Revenue		4,825
Totals	\$ 19,150	\$ 19,150

Interfund receivables and payables consist of interfund loans. These balances were repaid in January 2018.

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

NOTE 7: 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			\$ 279,131
Law enforcement			674,400
Public safety			93,123
Recreation and culture			418,528
Debt service			2,469,134
Total Restricted			<u>3,934,316</u>
Committed for:			
Capital outlay			<u>126,211</u>
Assigned to:			
General government	\$ 29,314		
Law enforcement			874,596
Highways and streets		\$ 1,237,579	
Sanitation	338,934		
Recreation and culture			73,257
Capital outlay	1,116,007		
Total Assigned	<u>1,484,255</u>	<u>1,237,579</u>	<u>947,853</u>
Unassigned	<u>951,253</u>		
Totals	<u>\$ 2,435,508</u>	<u>\$ 1,237,579</u>	<u>\$ 5,008,380</u>

NOTE 8: 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 \$54,468,477. 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 \$14,302,857. The amount of short-term financing obligations was \$87,518, leaving a legal debt margin of \$14,215,339.

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

NOTE 9: Commitments

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

	December 31, 2017
Long-term liabilities	\$ 7,700,683
Noncancellable lease	771,732
Total Commitments	\$ 8,472,415

Long-term Liabilities

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

	December 31, 2017
Greene County Sales and Use Tax Bonds, Series 2012 due in semi-annual installments of varying amounts through March 1, 2022; interest at 2-4%. Payments are to be made from the Greene County Sales and Use Tax Bonds, Series 2012 Debt Service Fund.	\$ 7,370,000
Lease payable with John Deere Financial dated July 1, 2015 for two John Deere Tractors with rotary boom mower, 60 payments of \$2,917; interest at 0%. Payments are to be made from the County Road Fund.	87,518
Compensated absences	243,165
Total Long-term liabilities	\$ 7,700,683

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

Post Employment Benefits Other Than Pensions

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

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds	Leases	Total
2018	\$1,740,420	\$ 35,007	\$ 1,775,427
2019	1,727,858	35,007	1,762,865
2020	1,728,957	17,504	1,746,461
2021	1,740,594		1,740,594
2022	967,415		967,415
Total Obligations	7,905,244	87,518	7,992,762
Less Interest	535,244		535,244
Total Principal	\$7,370,000	\$ 87,518	\$ 7,457,518

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

NOTE 9: Commitments (Continued)

Noncancellable Lease

The County entered into a noncancellable lease agreement for 5 Mack Trucks on May 25, 2015. Terms of the lease are monthly rental payments of \$2,705 for 36 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for 3 Caterpillar 140M3 Motor Graders on October 21, 2015. Terms of the lease are monthly rental payments of \$4,105 for 36 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar 140M3 Motor Grader on December 29, 2015. Terms of the lease are monthly rental payments of \$1,339 for 36 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar 12M3 Motor Grader on March 2, 2016. Terms of the lease are monthly rental payments of \$1,296 for 36 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for 2 John Deere Graders on May 4, 2016. Terms of the lease are monthly rental payments of \$3,530 for 24 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for a Caterpillar 12M3 Motor Grader on June 24, 2016. Terms of the lease are monthly rental payments of \$1,630 for 36 months. At the end of the lease term, the County will return the equipment.

The County entered into a noncancellable lease agreement for 2 International Dump Trucks on May 31, 2017. Terms of the lease are monthly rental payments of \$3,301 for 36 months. At the end of the lease term, the County will return the equipment.

The County is obligated for the following amounts for the next three years:

<u>Year</u>	<u>December 31, 2017</u>
2018	\$ 518,640
2019	53,284
2020	<u>199,808</u>
Total	<u>\$ 771,732</u>

Rental expense for 2017 was \$194,859.

NOTE 10: Pledged Revenues

Greene County Sales and Use Tax Bonds Series 2012

The County pledged future 0.75% sales and use taxes to repay \$15,070,000 in bonds that were issued in 2012 to provide funding for acquiring, constructing, equipping, and furnishing improvements to the County's jail and law enforcement facilities. Total principal and interest remaining on the bonds are \$7,370,000 and \$535,244, respectively, payable through March 1, 2022. For 2017, principal and interest and other charges paid were \$1,830,000 and \$272,058, respectively.

The Jail Construction Sales and Use Tax Bond Series 2012 (Debt Service) Fund received \$2,145,111 in sales taxes in 2017. Any sales taxes collected in excess of debt service payments on this bond issue are required to be used for the early retirement of the bonds until they are repaid.

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

NOTE 11: Joint Venture: Northeast Arkansas Regional Library

Randolph, Clay, and Greene Counties entered into an agreement in January 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the Northeast Arkansas Regional Library. The agreement states that the purpose is to provide library services, supplementary and in addition to those of the County Library of each of said counties. The affairs shall be governed, directed, and controlled by a commission known as the Northeast Arkansas Regional Library Commission. The headquarters library shall be the Greene County Library in Paragould, Arkansas. Each county collects a property tax, which is authorized and appropriated by the respective Quorum Court. Contact the Northeast Arkansas Regional Library at 120 North 12th Street, Paragould, Arkansas 72450 to obtain financial statements. The County Library did not pay any regional library expenditures in 2017. Greene County Library received a total of \$56,008 from the Northeast Arkansas Regional Library for expenditures.

NOTE 12: Risk Management

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

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

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

Vehicle Program

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

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 per case with an annual aggregate of \$350,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board. Each county also agrees to pay the first \$500 of the aggregate cost for all expenses on each lawsuit.

The County also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$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.

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

NOTE 13: 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 \$663,265.

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 \$6,558,531.

NOTE 14: Subsequent Events

On July 6, 2018, the County executed a note payable agreement with Southern Bank for the purchase of three International Trucks for the Road Department. Terms are as follows: 60 monthly payments of \$4,730 at 3.95% interest.

GREENE 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	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Child Support Cost	Drug Control
ASSETS									
Cash and cash equivalents	\$ 24,421	\$ 56,287	\$ 98,359	\$ 12,360	\$ 18,294	\$ 59,651	\$ 459,366	\$ 5,170	\$ 22
Accounts receivable	10,036	94,300	844	104	915	6,522	40,122	29	
Interfund receivables									
TOTAL ASSETS	\$ 34,457	\$ 150,587	\$ 99,203	\$ 12,464	\$ 19,209	\$ 66,173	\$ 499,488	\$ 5,199	\$ 22
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 102				\$ 2,945	\$ 14,900	\$ 7,624		\$ 22
Interfund payables									
Settlements pending							79		
Total Liabilities	102				2,945	14,900	7,703		22
Fund Balances:									
Restricted	34,355	\$ 150,587	\$ 99,203	\$ 12,464	16,264	51,273	418,528	\$ 5,199	
Committed									
Assigned							73,257		
Total Fund Balances	34,355	150,587	99,203	12,464	16,264	51,273	491,785	5,199	
TOTAL LIABILITIES AND FUND BALANCES	\$ 34,457	\$ 150,587	\$ 99,203	\$ 12,464	\$ 19,209	\$ 66,173	\$ 499,488	\$ 5,199	\$ 22

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

Schedule 1

SPECIAL REVENUE FUNDS

	Jail Operation and Maintenance	County Detention Facility	Boating Safety	Emergency 911	Victim/Witness	Adult Drug Court	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Sheriff's Donation
ASSETS									
Cash and cash equivalents	\$ 8		\$ 11,218	\$ 71,898	\$ 1	\$ 1,295	\$ 96,530	\$ 5,862	\$ 15,418
Accounts receivable	13,026	\$ 677	40	3,850	2,700	1	1,630	21	118
Interfund receivables									
TOTAL ASSETS	\$ 13,034	\$ 677	\$ 11,258	\$ 75,748	\$ 2,701	\$ 1,296	\$ 98,160	\$ 5,883	\$ 15,536
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable				\$ 15,359		\$ 327			\$ 53
Interfund payables	\$ 11,398	\$ 582			\$ 2,345				
Settlements pending									
Total Liabilities	11,398	582		15,359	2,345	327			53
Fund Balances:									
Restricted		95	\$ 11,258	60,389	356	969	\$ 98,160	\$ 5,883	15,483
Committed									
Assigned	1,636								
Total Fund Balances	1,636	95	11,258	60,389	356	969	98,160	5,883	15,483
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,034	\$ 677	\$ 11,258	\$ 75,748	\$ 2,701	\$ 1,296	\$ 98,160	\$ 5,883	\$ 15,536

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

Schedule 1

SPECIAL REVENUE FUNDS									
	Sheriff's Drug	Jail Bond Revenue	Jail Operation and Maintenance Sales Tax	Court Capital Improvement Grants	Northeast Greene County Fire District Grant	Arkansas Economic Development Commission Rescue Squad	Sheriff's Communication Facility and Equipment	Assessor's Late Assessment	Western Greene County Fire District Grant
ASSETS									
Cash and cash equivalents	\$ 10,052	\$ 2	\$ 1,054,251	\$ 3,414	\$ 15,000	\$ 2,734	\$ 62,134	\$ 1,308	\$ 15,000
Accounts receivable	87	5,550	265,134	1			9,731	1,798	
Interfund receivables			16,805						
TOTAL ASSETS	\$ 10,139	\$ 5,552	\$ 1,336,190	\$ 3,415	\$ 15,000	\$ 2,734	\$ 71,865	\$ 3,106	\$ 15,000
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable			\$ 100,500						
Interfund payables		\$ 4,825							
Settlements pending									
Total Liabilities		<u>4,825</u>	<u>100,500</u>						
Fund Balances:									
Restricted	\$ 9,458	727	363,411	\$ 3,415	\$ 15,000	\$ 2,734	\$ 71,865	\$ 3,106	\$ 15,000
Committed									
Assigned	681		872,279						
Total Fund Balances	<u>10,139</u>	<u>727</u>	<u>1,235,690</u>	<u>3,415</u>	<u>15,000</u>	<u>2,734</u>	<u>71,865</u>	<u>3,106</u>	<u>15,000</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 10,139	\$ 5,552	\$ 1,336,190	\$ 3,415	\$ 15,000	\$ 2,734	\$ 71,865	\$ 3,106	\$ 15,000

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

Schedule 1

	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	AGENCY FUNDS						Totals
			Detention Center Expansion	Jail Construction Sales and Use Tax Bond Series 2012	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	
ASSETS									
Cash and cash equivalents	\$ 125,096	\$ 2,279,864	\$ 983,817	\$ 167,433	\$ 110,231	\$ 4,222	\$ 180,561	\$ 1,398	\$ 5,952,677
Accounts receivable	1,115	189,270							647,621
Interfund receivables									16,805
TOTAL ASSETS	\$ 126,211	\$ 2,469,134	\$ 983,817	\$ 167,433	\$ 110,231	\$ 4,222	\$ 180,561	\$ 1,398	\$ 6,617,103
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									\$ 141,832
Interfund payables									19,150
Settlements pending			\$ 983,817	\$ 167,433	\$ 110,231	\$ 4,222	\$ 180,561	\$ 1,398	1,447,741
Total Liabilities			983,817	167,433	110,231	4,222	180,561	1,398	1,608,723
Fund Balances:									
Restricted		\$ 2,469,134							3,934,316
Committed	\$ 126,211								126,211
Assigned									947,853
Total Fund Balances	126,211	2,469,134							5,008,380
TOTAL LIABILITIES AND FUND BALANCES	\$ 126,211	\$ 2,469,134	\$ 983,817	\$ 167,433	\$ 110,231	\$ 4,222	\$ 180,561	\$ 1,398	\$ 6,617,103

GREENE 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	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Library	Child Support Cost	Drug Control
REVENUES									
State aid				\$ 9,182			\$ 73,352		
Property taxes							482,699		
Sales taxes									
Fines, forfeitures, and costs			\$ 8,480						
Interest	\$ 401	\$ 1,274	1,294	175	\$ 262	\$ 1,145	4,926	\$ 62	\$ 3
Officers' fees					10,691	76,451		2,501	
Jail fees									
Emergency 911									
Treasurer's commission	28,020								
Collector's commission		94,275							
Other	20	91					115,066		
TOTAL REVENUES	28,441	95,640	9,774	9,357	10,953	77,596	676,043	2,563	3
Less: Treasurer's commission	4	11	89	85	99	713	4,951	23	
NET REVENUES	28,437	95,629	9,685	9,272	10,854	76,883	671,092	2,540	3
EXPENDITURES									
Current:									
General government	31,617	99,466		3,900	9,215	107,059			
Law enforcement									250
Highways and streets									
Public safety									
Recreation and culture							662,161		
Total Current	31,617	99,466		3,900	9,215	107,059	662,161		250
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	31,617	99,466		3,900	9,215	107,059	662,161		250
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,180)	(3,837)	9,685	5,372	1,639	(30,176)	8,931	2,540	(247)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,180)	(3,837)	9,685	5,372	1,639	(30,176)	8,931	2,540	(247)
FUND BALANCES - JANUARY 1	37,535	154,424	89,518	7,092	14,625	81,449	482,854	2,659	247
FUND BALANCES - DECEMBER 31	<u>\$ 34,355</u>	<u>\$ 150,587</u>	<u>\$ 99,203</u>	<u>\$ 12,464</u>	<u>\$ 16,264</u>	<u>\$ 51,273</u>	<u>\$ 491,785</u>	<u>\$ 5,199</u>	<u>\$ 0</u>

GREENE 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

	Jail Operation and Maintenance	County Detention Facility	Boating Safety	Emergency 911	Victim/Witness	Adult Drug Court	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Sheriff's Donation
REVENUES									
State aid			\$ 3,368						
Property taxes									
Sales taxes									
Fines, forfeitures, and costs	\$ 127,419	\$ 7,885			\$ 28,813		\$ 22,202		
Interest	106	7	132	\$ 1,286	23	\$ 28	1,258	\$ 70	\$ 208
Officers' fees							8,584	1,637	
Jail fees	120								
Emergency 911				47,988					
Treasurer's commission									
Collector's commission									
Other				27					20,443
TOTAL REVENUES	127,645	7,892	3,500	49,301	28,836	28	32,044	1,707	20,651
Less: Treasurer's commission	1,166	69	32	453	257		311	16	96
NET REVENUES	126,479	7,823	3,468	48,848	28,579	28	31,733	1,691	20,555
EXPENDITURES									
Current:									
General government									
Law enforcement	126,779	7,814	1,273		28,636	1,639	14,500		20,397
Highways and streets									
Public safety				72,615					
Recreation and culture									
Total Current	126,779	7,814	1,273	72,615	28,636	1,639	14,500		20,397
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	126,779	7,814	1,273	72,615	28,636	1,639	14,500		20,397
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(300)	9	2,195	(23,767)	(57)	(1,611)	17,233	1,691	158
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(300)	9	2,195	(23,767)	(57)	(1,611)	17,233	1,691	158
FUND BALANCES - JANUARY 1	1,936	86	9,063	84,156	413	2,580	80,927	4,192	15,325
FUND BALANCES - DECEMBER 31	<u>\$ 1,636</u>	<u>\$ 95</u>	<u>\$ 11,258</u>	<u>\$ 60,389</u>	<u>\$ 356</u>	<u>\$ 969</u>	<u>\$ 98,160</u>	<u>\$ 5,883</u>	<u>\$ 15,483</u>

GREENE 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								
	Sheriff's Drug	Jail Bond Revenue	Jail Operation and Maintenance Sales Tax	Court Capital Improvement Grants	Northeast Greene County Fire District Grant	Juvenile Alternative Dispute Resolution Grant	Arkansas Economic Development Commission Unpaved Roads Grant	Arkansas Economic Development Commission Rescue Squad	Sheriff's Communication Facility and Equipment
REVENUES									
State aid									
Property taxes									
Sales taxes			\$ 2,145,111						
Fines, forfeitures, and costs	\$ 3,156	\$ 59,029							
Interest	120	47	16,650	\$ 51				\$ 70	
Officers' fees								16,203	
Jail fees			364,836					101,372	
Emergency 911									
Treasurer's commission									
Collector's commission									
Other			32,261						
TOTAL REVENUES	3,276	59,076	2,558,858	51				117,645	
Less: Treasurer's commission	29	524	22,862					860	
NET REVENUES	3,247	58,552	2,535,996	51				116,785	
EXPENDITURES									
Current:									
General government									
Law enforcement	2,395	58,660	2,894,977	639		\$ 101		93,693	
Highways and streets						\$ 3,312			
Public safety							\$ 12,266		
Recreation and culture									
Total Current	2,395	58,660	2,894,977	639		101	3,312	12,266	
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	2,395	58,660	2,894,977	639		101	3,312	12,266	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	852	(108)	(358,981)	(588)		(101)	(3,312)	(12,266)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	852	(108)	(358,981)	(588)		(101)	(3,312)	(12,266)	
FUND BALANCES - JANUARY 1	9,287	835	1,594,671	4,003	\$ 15,000	101	3,312	15,000	
FUND BALANCES - DECEMBER 31	<u>\$ 10,139</u>	<u>\$ 727</u>	<u>\$ 1,235,690</u>	<u>\$ 3,415</u>	<u>\$ 15,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,734</u>	

GREENE 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		CAPITAL PROJECTS FUND	DEBT SERVICE FUND	Totals
	Assessor's Late Assessment	Western Greene County Fire District Grant	Detention Center Future Expansion	Jail Construction Sales and Use Tax Bond Series 2012	
REVENUES					
State aid		\$ 15,000			\$ 100,902
Property taxes	\$ 3,112				485,811
Sales taxes				\$ 2,145,111	4,290,222
Fines, forfeitures, and costs					256,984
Interest	6		\$ 1,409	9,755	40,768
Officers' fees					116,067
Jail fees			39,390		505,718
Emergency 911					47,988
Treasurer's commission					28,020
Collector's commission					94,275
Other					167,908
TOTAL REVENUES	3,118	15,000	40,799	2,154,866	6,134,663
Less: Treasurer's commission	12		394		33,056
NET REVENUES	3,106	15,000	40,405	2,154,866	6,101,607
EXPENDITURES					
Current:					
General government					251,257
Law enforcement					3,251,753
Highways and streets					3,312
Public safety					84,881
Recreation and culture					662,161
Total Current					4,253,364
Debt Service:					
Bond principal				1,830,000	1,830,000
Bond interest and other charges				272,058	272,058
TOTAL EXPENDITURES				2,102,058	6,355,422
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,106	15,000	40,405	52,808	(253,815)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,106	15,000	40,405	52,808	(253,815)
FUND BALANCES - JANUARY 1			85,806	2,416,326	5,262,195
FUND BALANCES - DECEMBER 31	\$ 3,106	\$ 15,000	\$ 126,211	\$ 2,469,134	\$ 5,008,380

GREENE 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.
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.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; 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 Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive a \$20 booking and administration fee assessed on persons convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility.

GREENE 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>
Boating Safety	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Adult Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
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.
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.
Sheriff's Donation	Established to account for donations for the Sheriff's office.
Sheriff's Drug	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Bond Revenue	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for maintenance and operations of jail.
Jail Operation and Maintenance Sales Tax	Greene County Ordinance 2015-14 (December 14, 2015) authorized the collection of all Jail Operation and Maintenance Sales Tax revenue, housing inmates revenue, jail expenses reimbursement and other jail based revenues to be directly deposited into this fund. All jail based appropriations will be charged directly against this fund.
Court Capital Improvement Grants	Established to account for grants from the Court Improvement Program (CIP) designed to improve the quality of court proceedings in child abuse and neglect cases.

GREENE 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>
Northeast Greene County Fire District Grant	Established to account for grant received from the Arkansas Rural Community Grant Program for turnout gear for fire protection.
Juvenile Alternative Dispute Resolution Grant	Established to account for grant received from the Arkansas Alternative Dispute Resolution Commission to promote or further the use of alternative dispute resolution in Arkansas.
Arkansas Economic Development Commission Unpaved Roads Grant	Established to account for grant received from the Arkansas Economic Development Commission form unpaved roads to improve road conditions on Greene 721 road.
Arkansas Economic Development Commission Rescue Squad	Established to account for grant received from the Arkansas Economic Development Commission for rescue squad equipment.
Sheriff's 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.
Assessor's Late Assessment	Ark. Code Ann. § 26-26-201 established fund to receive fees to help pay for the expense of assessing property.
Western Greene County Fire District Grant	Established to account for grant received from the Arkansas Rural Community Grant Program for purchase of a fire truck.
Detention Center Future Expansion	Greene County Ordinance no. 14-5 (October 20, 2014) authorized the collection of \$1 a day per inmate from member agencies to be used for the future expansion of the Greene County Detention Center.
Jail Construction Sales and Use Tax Bond Series 2012	Greene county Ordinance no. 11-12 (August 23, 2011) and 12-06 (January 26, 2012) as approved by voters authorized the issuance of sales and use tax bonds. This fund was set up in order to facilitate the retirement of the related debt.

Treasurer's accounts consist primarily of property taxes and commissions not distributed to the appropriate 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, bond, and inmate trust money.
 County Clerk's accounts consist primarily of fee money to be settled with Treasurer.
 Circuit Clerk's accounts consist of trust money, court costs, and settlements due to Treasurer.
 Juvenile Probation accounts consist primarily of fees and fine money not yet distributed to the appropriate entities.

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

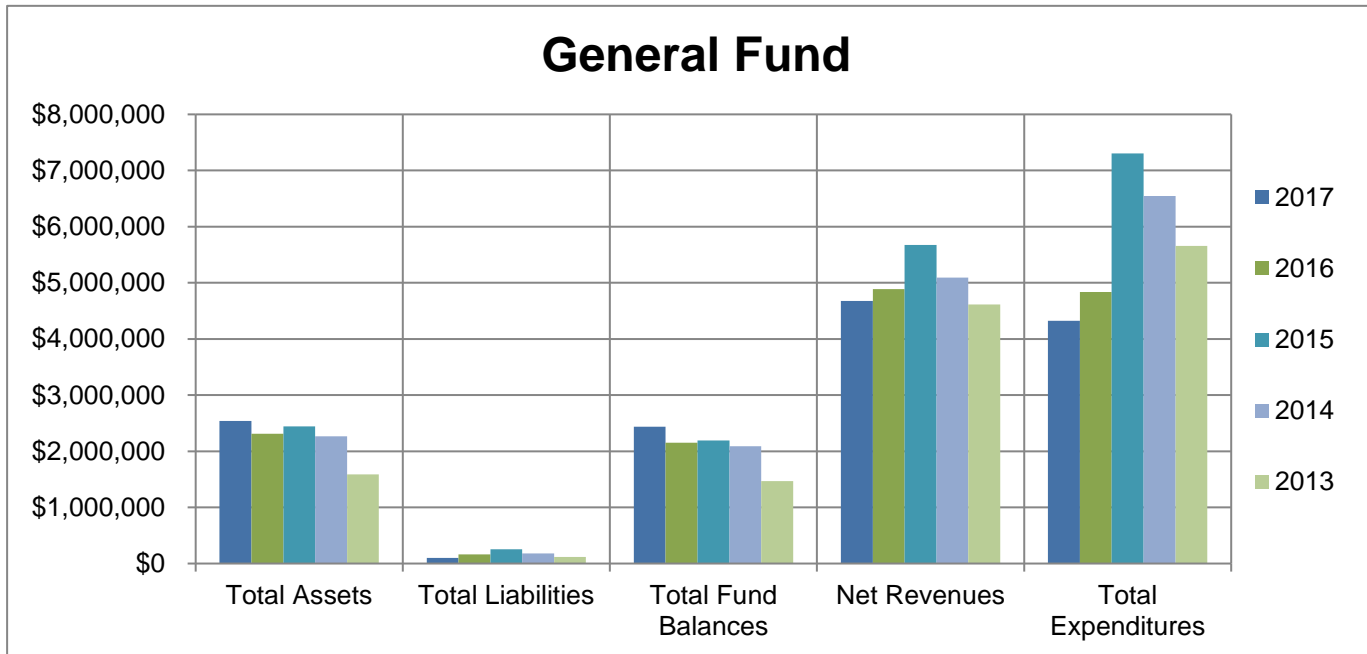
Schedule 3

	<u>December 31, 2017</u>
Land	\$ 1,355,871
Buildings	25,600,698
Equipment	<u>6,132,319</u>
Total	<u>\$ 33,088,888</u>

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

Schedule 4-1

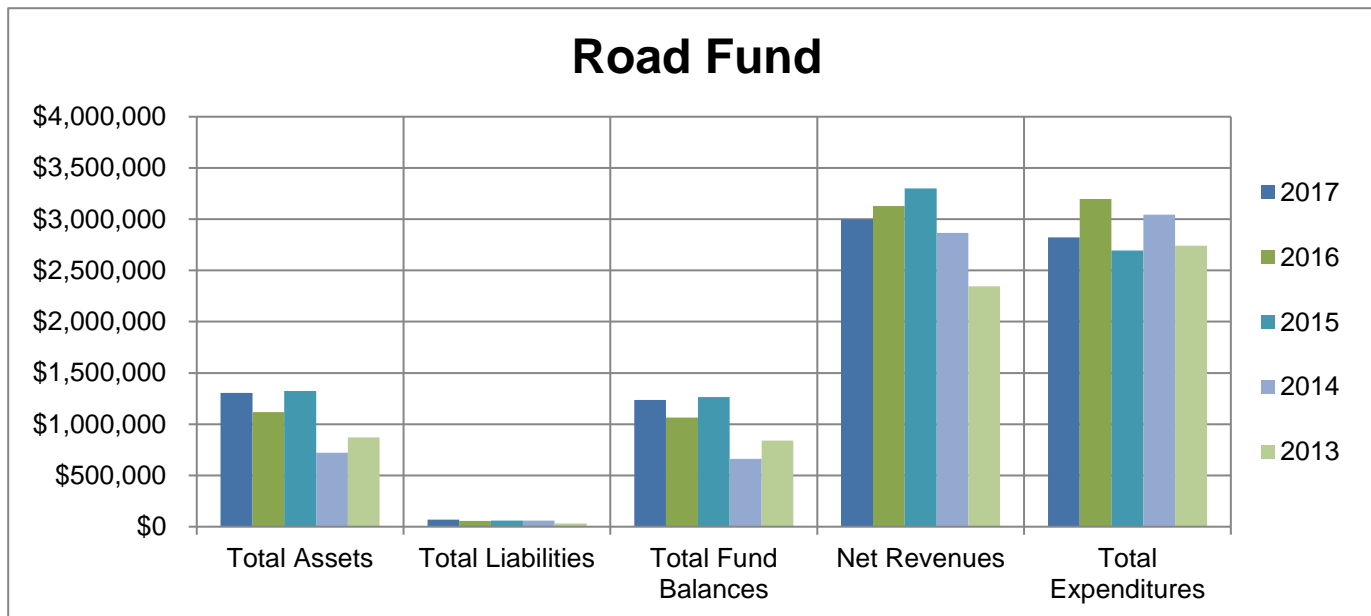
General	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 2,537,664	\$ 2,313,948	\$ 2,442,431	\$ 2,267,577	\$ 1,587,432
Total Liabilities	102,156	162,344	253,360	180,056	116,653
Total Fund Balances	2,435,508	2,151,604	2,189,071	2,087,521	1,470,779
Net Revenues	4,678,839	4,890,339	5,676,821	5,090,346	4,615,762
Total Expenditures	4,325,016	4,835,081	7,303,197	6,546,585	5,657,360
Total Other Financing Sources/Uses	(69,553)	(92,725)	1,727,926	2,081,416	859,994



GREENE 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>	2017	2016	2015	2014	2013
Total Assets	\$ 1,305,709	\$ 1,119,089	\$ 1,323,013	\$ 720,347	\$ 872,500
Total Liabilities	68,130	55,431	58,442	59,754	32,274
Total Fund Balances	1,237,579	1,063,658	1,264,571	660,593	840,226
Net Revenues	2,996,400	3,128,511	3,299,546	2,866,162	2,345,676
Total Expenditures	2,822,479	3,196,609	2,695,568	3,045,795	2,742,567
Total Other Financing Sources/Uses					



GREENE 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

Other Funds in the Aggregate	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 6,617,103	\$ 6,745,675	\$ 7,660,770	\$ 6,826,442	\$ 7,943,511
Total Liabilities	1,608,723	1,483,846	2,125,100	1,959,731	1,825,341
Total Fund Balances	5,008,380	5,261,829	5,535,670	4,866,711	6,118,170
Net Revenues	6,101,607	6,270,388	5,737,641	5,679,947	5,249,839
Total Expenditures	6,355,422	6,544,229	3,242,447	4,734,664	12,600,693
Total Other Financing Sources/Uses			(1,826,235)	(2,180,794)	(954,165)

