

Logan County, Arkansas
Regulatory Basis Financial Statements
and Other Reports

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



LOGAN 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

Logan 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 Logan 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 Logan 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 Logan 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 30, 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 30, 2018
LOCO04217

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

Logan 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 Logan 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 30, 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 following issues are not significant deficiencies, material weaknesses, or material instances of noncompliance, but are issues that are presented to assist in the efficient operation of the County.

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

County Judge: Ray Gack
Treasurer: Mickey Oates
Sheriff: Boyd Hicks
Tax Collector: Brittany Rogers
County Clerk: Peggy Fitzjurls
Circuit Clerk: Elaine Robertson
Assessor: Shannon Cotton
County Librarian: Judy Pennington (Paris)
Lora Huckabee (Booneville)

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

County Judge

The Quorum Court minutes did not document the review of the findings and recommendations of the prior report and the action taken by the Quorum Court, as required by Ark. Code Ann. § 10-4-418.

The following Information Systems weaknesses were discovered during a review of computer applications:

Circuit Clerk

LMI software application - Management again had no process to periodically review appropriate access security. The lack of adequate supervisory oversight of user security permissions increases the risk of unauthorized access and misuse of information resources.

LMI software application - Passwords are being shared. Sharing unique login credentials of system users, eliminates accountability, segregation of duties, and has a debilitating effect on audit logging and monitoring controls.

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 30, 2018

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

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 1,876,641	\$ 1,156,239	\$ 14,494,970
Accounts receivable	236,090	16,411	212,244
TOTAL ASSETS	\$ 2,112,731	\$ 1,172,650	\$ 14,707,214
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 6,834	\$ 11,162	\$ 344,183
Settlements pending			701,945
Total Liabilities	6,834	11,162	1,046,128
 Fund Balances:			
Restricted		738,715	12,161,283
Assigned		422,773	1,499,803
Unassigned	2,105,897		
Total Fund Balances	2,105,897	1,161,488	13,661,086
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,112,731	\$ 1,172,650	\$ 14,707,214

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

LOGAN 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>
REVENUES			
State aid	\$ 573,612	\$ 1,581,020	\$ 197,832
Federal aid	320,408	118,585	
Property taxes	764,768	526,590	407,690
Sales taxes	1,218,963		1,976,260
Fines, forfeitures, and costs	251,951		37,751
Interest	20,575	12,356	100,387
Officers' fees	58,194		170,913
911 fees			314,276
Ambulance fees			1,393,011
Jail fees	47,000		
Treasurer's commission	111,931		21,211
Collector's commission	233,739		48,744
Taxes apportioned - Assessor's salary and expense	375,920		
Other	198,735	87,816	67,194
	<u>4,175,796</u>	<u>2,326,367</u>	<u>4,735,269</u>
TOTAL REVENUES			
Less: Treasurer's commission	73,119	43,171	68,490
	<u>4,102,677</u>	<u>2,283,196</u>	<u>4,666,779</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	1,782,725		307,440
Law enforcement	1,884,435		910,099
Highways and streets		2,385,311	
Public safety	95,817		424,717
Sanitation	18,600		
Health	29,618		1,530,253
Recreation and culture			472,362
Social services	106,817		
Total Current	<u>3,918,012</u>	<u>2,385,311</u>	<u>3,644,871</u>
Debt Service:			
Bond principal			520,000
Bond interest and other charges			265,135
	<u>3,918,012</u>	<u>2,385,311</u>	<u>4,430,006</u>
TOTAL EXPENDITURES			

LOGAN 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>\$ 184,665</u>	<u>\$ (102,115)</u>	<u>\$ 236,773</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		100,000	193,487
Transfers out	<u>(214,487)</u>	<u> </u>	<u>(79,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(214,487)</u>	<u>100,000</u>	<u>114,487</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(29,822)	(2,115)	351,260
FUND BALANCES - JANUARY 1	<u>2,135,719</u>	<u>1,163,603</u>	<u>13,309,826</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 2,105,897</u></u>	<u><u>\$ 1,161,488</u></u>	<u><u>\$ 13,661,086</u></u>

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

LOGAN 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	\$ 502,728	\$ 573,612	\$ 70,884	\$ 1,424,000	\$ 1,581,020	\$ 157,020
Federal aid	270,300	320,408	50,108	45,150	118,585	73,435
Property taxes	715,200	764,768	49,568	538,000	526,590	(11,410)
Sales taxes	1,100,000	1,218,963	118,963			
Fines, forfeitures, and costs	200,200	251,951	51,751			
Interest	7,170	20,575	13,405	5,000	12,356	7,356
Officers' fees	49,450	58,194	8,744			
Jail fees	20,300	47,000	26,700			
Treasurer's commission	90,000	111,931	21,931			
Collector's commission	198,000	233,739	35,739			
Taxes apportioned - Assessor's salary and expense	288,000	375,920	87,920			
Other	132,360	198,735	66,375	10,200	87,816	77,616
TOTAL REVENUES	3,573,708	4,175,796	602,088	2,022,350	2,326,367	304,017
Less: Treasurer's commission		73,119	(73,119)		43,171	(43,171)
NET REVENUES	3,573,708	4,102,677	528,969	2,022,350	2,283,196	260,846
EXPENDITURES						
Current:						
General government	2,051,253	1,782,725	268,528			
Law enforcement	2,273,726	1,884,435	389,291			
Highways and streets				2,662,411	2,385,311	277,100
Public safety	1,340,853	95,817	1,245,036			
Sanitation	22,949	18,600	4,349			
Health	33,930	29,618	4,312			
Social services	108,317	106,817	1,500			
TOTAL EXPENDITURES	5,831,028	3,918,012	1,913,016	2,662,411	2,385,311	277,100

LOGAN 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	<u>\$ (2,257,320)</u>	<u>\$ 184,665</u>	<u>\$ 2,441,985</u>	<u>\$ (640,061)</u>	<u>\$ (102,115)</u>	<u>\$ 537,946</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,321,481		(1,321,481)	100,000	100,000	
Transfers out		(214,487)	(214,487)			
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,321,481</u>	<u>(214,487)</u>	<u>(1,535,968)</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(935,839)	(29,822)	906,017	(540,061)	(2,115)	537,946
FUND BALANCES - JANUARY 1	<u>1,502,329</u>	<u>2,135,719</u>	<u>633,390</u>	<u>782,800</u>	<u>1,163,603</u>	<u>380,803</u>
FUND BALANCES - DECEMBER 31	<u>\$ 566,490</u>	<u>\$ 2,105,897</u>	<u>\$ 1,539,407</u>	<u>\$ 242,739</u>	<u>\$ 1,161,488</u>	<u>\$ 918,749</u>

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

LOGAN 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, and federal aid 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.

LOGAN 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, and trust accounts 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.

LOGAN 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
	<u> </u>	<u> </u>
Insured (FDIC)	\$ 1,174,207	\$ 1,273,389
Collateralized:		
Collateral held by the County's agent, pledging bank, or pledging bank's trust department or agent in the County's name	7,102,309	7,662,811
U.S. government guaranteed accounts	9,249,414	9,249,414
	<u> </u>	<u> </u>
Total Deposits	<u>\$ 17,525,930</u>	<u>\$ 18,185,614</u>

The above total deposits do not include cash on hand of \$ 1,920.

LOGAN 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
Sales taxes	\$ 96,360		\$ 171,152
Interest	81		
911 fees			17,065
Other	139,649	\$ 16,411	24,027
Totals	<u>\$ 236,090</u>	<u>\$ 16,411</u>	<u>\$ 212,244</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	<u>\$ 6,834</u>	<u>\$ 11,162</u>	<u>\$ 344,183</u>

LOGAN 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
Restricted for:			
General government			\$ 489,131
Law enforcement			995,599
Highways and streets		\$ 738,715	
Public safety			558,933
Recreation and culture			1,114,277
Capital outlay			8,411,272
Debt service			592,071
Total Restricted		<u>738,715</u>	<u>12,161,283</u>
Assigned to:			
Law enforcement			13,717
Highways and streets		422,773	
Health			1,486,086
Total Assigned		<u>422,773</u>	<u>1,499,803</u>
Unassigned	<u>\$ 2,105,897</u>		
Totals	<u>\$ 2,105,897</u>	<u>\$ 1,161,488</u>	<u>\$ 13,661,086</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 \$24,210,023. 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 \$6,858,609. There were no short-term financing obligations.

LOGAN 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	\$ 9,480,000
Noncancellable lease	19,031
Reappraisal contract	462,000
Construction contracts	9,853,190
 Total Commitments	 \$ 19,814,221

Long-term Liabilities

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

	December 31, 2017
Sales and Use Tax Bonds, Series 2016, for the purpose of financing the cost of a new jail facility; annual installments of \$350,000 to \$735,000 due on December 1 beginning in 2017 through December 2033; interest at 2% to 3.125% due June 1 and December 1 beginning June 2017. Payments are to be made from the Debt Service Fund.	\$ 9,480,000

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

Compensated Absences

Compensated absences do not 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.

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds
2018	\$ 753,736
2019	753,736
2020	758,536
2021	758,036
2022	757,336
2023 through 2027	3,788,595
2028 through 2033	4,400,800
Total Obligations	11,970,775
Less Interest	2,490,775
 Total Principal	 \$9,480,000

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

NOTE 8: Commitments (Continued)

Noncancellable Lease

The County entered into a noncancellable lease agreement for three 140M3 Caterpillar Motor Graders and two Caterpillar 140M3 Motor Graders on April 21, 2015 and June 1, 2015, respectively. Terms of the lease are monthly rental payments of \$3,003 and \$2,005 for 36 months. At the end of the lease term, the County will return the equipment to Caterpillar. The County is obligated for the following amounts for the next year.

<u>Year</u>	<u>December 31, 2017</u>
2018	<u>\$ 19,031</u>

Rental expense for 2017 was \$60,089.

Reappraisal Contract

The County entered into a contract dated October 12, 2015 (first payment to begin January 15, 2016) with Total Assessment Solutions Corporation for reappraisal services. The terms of the contract require \$770,000 to be paid in monthly installments of \$12,833 for a period of sixty months. The County is obligated for the following amounts:

<u>Year</u>	<u>December 31, 2017</u>
2018	\$ 154,000
2019	154,000
2020	<u>154,000</u>
Total	<u>\$ 462,000</u>

Construction Contract

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

<u>Project Name</u>	<u>Estimated Completion Date</u>	<u>Contract Balance December 31, 2017</u>
Logan County Detention Center	June 2019	<u>\$ 9,853,190</u>

NOTE 9: Interfund Transfers

The General Fund transferred \$100,000 to the Road Fund and \$114,487 to Other Funds in the Aggregate (\$100,000 to Emergency Medical System (EMS) and \$14,487 to Indigent Attorney), to supplement operations. Within Other Funds in the Aggregate, the ½ Cent Sales Tax Detention Center transferred \$79,000 to the Detention Center for operations.

NOTE 10: Pledged Revenues

The County pledged future .5% sales and use taxes to repay \$10,000,000 in bonds that were issued in 2016 to provide funding for construction of a new county jail. Total principal and interest remaining on the bonds are \$9,480,000 and \$2,490,775, respectively, payable through December 1, 2033. For 2017, principal and interest paid were \$520,000 and \$262,185, respectively.

The Debt Service Fund received \$988,130 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.

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

NOTE 11: Joint Venture: Arkansas River Valley Regional Library

Franklin, Johnson, Logan, and Yell Counties entered into an agreement in July 1985 in accordance with Ark. Code Ann. § 13-2-401 to establish the Arkansas River Valley Regional Library. The agreement states that library services shall be made available to all residents of the counties who enter into the agreement. Bookmobile services will be given to select areas in each county; the areas are to be recommended by the County Library Board and approved by the Regional Library Board and the Arkansas State Library Board. The County Library paid \$72,919 for regional library expenditures in 2017. Separate financial statements of the Arkansas River Valley Regional Library are available at Arkansas River Valley Regional Library on Front Street in Dardanelle, Arkansas.

NOTE 12: Jointly Governed Organization: West River Valley Solid Waste Management District

Conway, Crawford, Franklin, Johnson, Logan, Perry, Pope, Scott, and Yell Counties entered into an agreement in 1991 to form West River Valley Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-708. The County did not provide funding to the West River Valley Solid Waste Management District. Separate financial statements may be obtained at 24087 Highway 164, Clarksville, AR 72830.

NOTE 13: 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.

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 Sheriffs' 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.

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

NOTE 13: Risk Management (Continued)

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 14: 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 \$509,760.

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 \$5,040,635.

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

Schedule 1

SPECIAL REVENUE FUNDS									
	Indigent Attorney	Emergency Medical System (EMS)	Support Collection Cost	Circuit Clerk Recorder's Cost	Commercial Mobile Radio Service (CMRS) 911 Board	County Library	Emergency Rescue	Treasurer's Automation	Collector's Automation
ASSETS									
Cash and cash equivalents	\$ 16,935	\$ 1,482,142	\$ 889	\$ 173,306	\$ 539,279	\$ 1,112,993	\$ 14,231	\$ 69,195	\$ 158,283
Accounts receivable		10,724			19,722	3,754			
TOTAL ASSETS	<u>\$ 16,935</u>	<u>\$ 1,492,866</u>	<u>\$ 889</u>	<u>\$ 173,306</u>	<u>\$ 559,001</u>	<u>\$ 1,116,747</u>	<u>\$ 14,231</u>	<u>\$ 69,195</u>	<u>\$ 158,283</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 3,218	\$ 6,780			\$ 68	\$ 2,470			
Settlements pending									
Total Liabilities	<u>3,218</u>	<u>6,780</u>			<u>68</u>	<u>2,470</u>			
Fund Balances:									
Restricted			\$ 889	\$ 173,306	558,933	1,114,277	\$ 14,231	\$ 69,195	\$ 158,283
Assigned	13,717	1,486,086							
Total Fund Balances	<u>13,717</u>	<u>1,486,086</u>	<u>889</u>	<u>173,306</u>	<u>558,933</u>	<u>1,114,277</u>	<u>14,231</u>	<u>69,195</u>	<u>158,283</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 16,935</u>	<u>\$ 1,492,866</u>	<u>\$ 889</u>	<u>\$ 173,306</u>	<u>\$ 559,001</u>	<u>\$ 1,116,747</u>	<u>\$ 14,231</u>	<u>\$ 69,195</u>	<u>\$ 158,283</u>

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

Schedule 1

SPECIAL REVENUE FUNDS

	County Clerk's Cost	Communication Facility and Equipment	Assessor's Amendment no. 79	Circuit Court Automation	Detention Center	Juvenile Intake	Drug Court Treatment	Grant	Circuit Clerk Commissioner Fees
ASSETS									
Cash and cash equivalents	\$ 31,928	\$ 21,075	\$ 14,711	\$ 40,670	\$ 3,847	\$ 11,307	\$ 2,611	\$ 35,728	\$ 3,766
Accounts receivable									
TOTAL ASSETS	\$ 31,928	\$ 21,075	\$ 14,711	\$ 40,670	\$ 3,847	\$ 11,307	\$ 2,611	\$ 35,728	\$ 3,766
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									
Settlements pending									
Total Liabilities									
Fund Balances:									
Restricted	\$ 31,928	\$ 21,075	\$ 14,711	\$ 40,670	\$ 3,847	\$ 11,307	\$ 2,611	\$ 35,728	\$ 3,766
Assigned									
Total Fund Balances	<u>31,928</u>	<u>21,075</u>	<u>14,711</u>	<u>40,670</u>	<u>3,847</u>	<u>11,307</u>	<u>2,611</u>	<u>35,728</u>	<u>3,766</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 31,928	\$ 21,075	\$ 14,711	\$ 40,670	\$ 3,847	\$ 11,307	\$ 2,611	\$ 35,728	\$ 3,766

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

Schedule 1

	<u>SPECIAL REVENUE FUNDS</u>			<u>CAPITAL PROJECTS FUND</u>	<u>DEBT SERVICE FUND</u>
	<u>Game and Fish Education</u>	<u>1/2 Cent Sales Tax Detention Center</u>	<u>Assessor's Late Assessment Fee</u>	<u>Jail Construction</u>	<u>Sales and Use Tax Bond, Series 2016</u>
ASSETS					
Cash and cash equivalents	\$ 1,099	\$ 809,390	\$ 226	\$ 8,742,919	\$ 506,495
Accounts receivable		92,468			85,576
TOTAL ASSETS	<u>\$ 1,099</u>	<u>\$ 901,858</u>	<u>\$ 226</u>	<u>\$ 8,742,919</u>	<u>\$ 592,071</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable				\$ 331,647	
Settlements pending					
Total Liabilities				<u>331,647</u>	
Fund Balances:					
Restricted	\$ 1,099	\$ 901,858	\$ 226	8,411,272	\$ 592,071
Assigned					
Total Fund Balances	<u>1,099</u>	<u>901,858</u>	<u>226</u>	<u>8,411,272</u>	<u>592,071</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,099</u>	<u>\$ 901,858</u>	<u>\$ 226</u>	<u>\$ 8,742,919</u>	<u>\$ 592,071</u>

LOGAN 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	Totals
ASSETS						
Cash and cash equivalents	\$ 215,551	\$ 117,058	\$ 14,242	\$ 3,950	\$ 351,144	\$ 14,494,970
Accounts receivable						212,244
TOTAL ASSETS	\$ 215,551	\$ 117,058	\$ 14,242	\$ 3,950	\$ 351,144	\$ 14,707,214
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 344,183
Settlements pending	\$ 215,551	\$ 117,058	\$ 14,242	\$ 3,950	\$ 351,144	701,945
Total Liabilities	215,551	117,058	14,242	3,950	351,144	1,046,128
Fund Balances:						
Restricted						12,161,283
Assigned						1,499,803
Total Fund Balances						13,661,086
TOTAL LIABILITIES AND FUND BALANCES	\$ 215,551	\$ 117,058	\$ 14,242	\$ 3,950	\$ 351,144	\$ 14,707,214

LOGAN 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									
	Indigent Attorney	Emergency Medical System (EMS)	Support Collection Cost	Circuit Clerk Recorder's Cost	Commercial Mobile Radio Service (CMRS) 911 Board	County Library	Emergency Rescue	Treasurer's Automation	Collector's Automation
REVENUES									
State aid		\$ 19,423				\$ 76,944	\$ 1,929		
Property taxes						407,459			
Sales taxes									
Fines, forfeitures, and costs	\$ 9,594								
Interest	108	17,638	\$ 18	\$ 2,123	\$ 5,663	10,132	154	\$ 718	\$ 1,510
Officers' fees			1,639	141,679					
911 fees					314,276				
Ambulance fees		1,393,011							
Treasurer's commission								21,211	
Collector's commission									48,744
Other	17	19,639	12	1,031	5,806	17,465	15	139	347
TOTAL REVENUES	9,719	1,449,711	1,669	144,833	325,745	512,000	2,098	22,068	50,601
Less: Treasurer's commission	45	28,211	33	2,875	6,991	9,876	42	354	1,005
NET REVENUES	9,674	1,421,500	1,636	141,958	318,754	502,124	2,056	21,714	49,596
EXPENDITURES									
Current:									
General government			1,500	164,207				11,986	53,443
Law enforcement	17,988						15		
Public safety					417,056		1,592		
Health		1,530,253							
Recreation and culture						472,362			
Total Current	17,988	1,530,253	1,500	164,207	417,056	472,362	1,607	11,986	53,443
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	17,988	1,530,253	1,500	164,207	417,056	472,362	1,607	11,986	53,443
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(8,314)	(108,753)	136	(22,249)	(98,302)	29,762	449	9,728	(3,847)
OTHER FINANCING SOURCES (USES)									
Transfers in	14,487	100,000							
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)	14,487	100,000							
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	6,173	(8,753)	136	(22,249)	(98,302)	29,762	449	9,728	(3,847)
FUND BALANCES - JANUARY 1	7,544	1,494,839	753	195,555	657,235	1,084,515	13,782	59,467	162,130
FUND BALANCES - DECEMBER 31	\$ 13,717	\$ 1,486,086	\$ 889	\$ 173,306	\$ 558,933	\$ 1,114,277	\$ 14,231	\$ 69,195	\$ 158,283

LOGAN 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's Cost	Communication Facility and Equipment	Assessor's Amendment no. 79	Circuit Court Automation	Detention Center	Juvenile Intake	Drug Court Treatment	Grant	Circuit Clerk Commissioner Fees
REVENUES									
State aid			\$ 5,249					\$ 94,287	
Property taxes									
Sales taxes									
Fines, forfeitures, and costs				\$ 5,160	\$ 19,514	\$ 3,483			
Interest	\$ 317	\$ 230	170	440	224	126	\$ 26		\$ 36
Officers' fees	10,805	13,540					1,940		1,310
911 fees									
Ambulance fees									
Treasurer's commission									
Collector's commission									
Other	78	56	1	46	157	10	9	15,463	7
TOTAL REVENUES	11,200	13,826	5,420	5,646	19,895	3,619	1,975	109,750	1,353
Less: Treasurer's commission	222	94	3	112	395	32	39		26
NET REVENUES	10,978	13,732	5,417	5,534	19,500	3,587	1,936	109,750	1,327
EXPENDITURES									
Current:									
General government	3,509		2,000					70,795	
Law enforcement		8,612			113,561	3,658	961	6,158	
Public safety								6,069	
Health									
Recreation and culture									
Total Current	3,509	8,612	2,000		113,561	3,658	961	83,022	
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	3,509	8,612	2,000		113,561	3,658	961	83,022	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,469	5,120	3,417	5,534	(94,061)	(71)	975	26,728	1,327
OTHER FINANCING SOURCES (USES)									
Transfers in					79,000				
Transfers out									
TOTAL OTHER FINANCING SOURCES (USES)					79,000				
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	7,469	5,120	3,417	5,534	(15,061)	(71)	975	26,728	1,327
FUND BALANCES - JANUARY 1	24,459	15,955	11,294	35,136	18,908	11,378	1,636	9,000	2,439
FUND BALANCES - DECEMBER 31	\$ 31,928	\$ 21,075	\$ 14,711	\$ 40,670	\$ 3,847	\$ 11,307	\$ 2,611	\$ 35,728	\$ 3,766

LOGAN 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			PROJECTS FUND	DEBT SERVICE FUNDS		Totals
	Game and Fish Education	1/2 Cent Sales Tax Detention Center	Assessor's Late Assessment Fee	Jail Construction	Cost of Issuance, Series 2016	Sales and Use Tax Bond, Series 2016	
REVENUES							
State aid							\$ 197,832
Property taxes			\$ 231				407,690
Sales taxes		\$ 988,130				\$ 988,130	1,976,260
Fines, forfeitures, and costs							37,751
Interest	\$ 13	3,966		\$ 53,661	\$ 10	3,104	100,387
Officers' fees							170,913
911 fees							314,276
Ambulance fees							1,393,011
Treasurer's commission							21,211
Collector's commission							48,744
Other	3	6,892		1			67,194
TOTAL REVENUES	16	998,988	231	53,662	10	991,234	4,735,269
Less: Treasurer's commission		18,130	5				68,490
NET REVENUES	16	980,858	226	53,662	10	991,234	4,666,779
EXPENDITURES							
Current:							
General government							307,440
Law enforcement				759,136	10		910,099
Public safety							424,717
Health							1,530,253
Recreation and culture							472,362
Total Current				759,136	10		3,644,871
Debt Service:							
Bond principal						520,000	520,000
Bond interest and other charges						265,135	265,135
TOTAL EXPENDITURES				759,136	10	785,135	4,430,006
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	16	980,858	226	(705,474)		206,099	236,773
OTHER FINANCING SOURCES (USES)							
Transfers in							193,487
Transfers out		(79,000)					(79,000)
TOTAL OTHER FINANCING SOURCES (USES)		(79,000)					114,487
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	16	901,858	226	(705,474)		206,099	351,260
FUND BALANCES - JANUARY 1	1,083			9,116,746		385,972	13,309,826
FUND BALANCES - DECEMBER 31	\$ 1,099	\$ 901,858	\$ 226	\$ 8,411,272	\$ 0	\$ 592,071	\$ 13,661,086

LOGAN 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>
Indigent Attorney	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents and Ark. Code Ann. § 17-19-301 authorized a bail bond fee of \$20 to be collected, which shall all be remitted to the Arkansas Public Defender Commission. Three dollars of each fee is remitted back to the County "Public Defender User Fees" quarterly to be used to defray the operation expenses of the Public Defender Office.
Emergency Medical System (EMS)	Logan County Ordinance no. 83-54 (December 15, 1983) established fund to operate an ambulance system funded by ambulance fees and proceeds from a one cent sales tax.
Support Collection Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's office.
Circuit Clerk 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.
Commercial Mobile Radio Service (CMRS) 911 Board	Ark. Code Ann. § 12-10-318 and Logan County Ordinance no. 92-6 (February 10, 1992) established fund to receive a service charge of 5% basic tariff on telephone systems operating within the County for the implementation of an enhanced 911 emergency phone 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.
Emergency Rescue	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.
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.
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.

LOGAN 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>
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 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. no. 79.
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.
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.
Juvenile Intake	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.
Drug Court Treatment	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.
Grant	Established to account for miscellaneous grants received from state and federal governments.
Circuit Clerk Commissioner Fees	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.
Game and Fish Education	Ark. Code Ann. § 6-16-1101 established fund to receive grants to be distributed to school districts or conservation districts for the sole purpose of approved conservation education programs.
1/2 Cent Sales Tax Detention Center	Logan County Ordinance no. 2016-33 (October 17, 2016) established fund to receive proceeds from the 1/2 cent Sales and Use Tax for Jail and Law Enforcement operations.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive the 50 cent assessor's fee collected on delinquent taxes to assist in funding the expense of assessing property.
Jail Construction	Logan County Ordinance no. 2016-33 (October 17, 2016) established fund to receive proceeds from the issuance of bonds to be used for the cost of constructing a new jail.

LOGAN 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>
Cost of Issuance, Series 2016	Logan County Ordinance no. 2016-33 (October 17, 2016) 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 2016	Logan County Ordinance no. 2016-33 (October 17, 2016) established fund to provide for the payment of principal of and interest on Sales and Use Tax Bonds, Series 2016.

Treasurer's accounts consist of property taxes and treasurer's 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, evidence, and inmate trust money.

County Clerk's accounts consist primarily of fee money and trust money awaiting disposition by the applicable court.

Circuit Clerk's accounts consist primarily of trust money awaiting disposition by the applicable court.

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

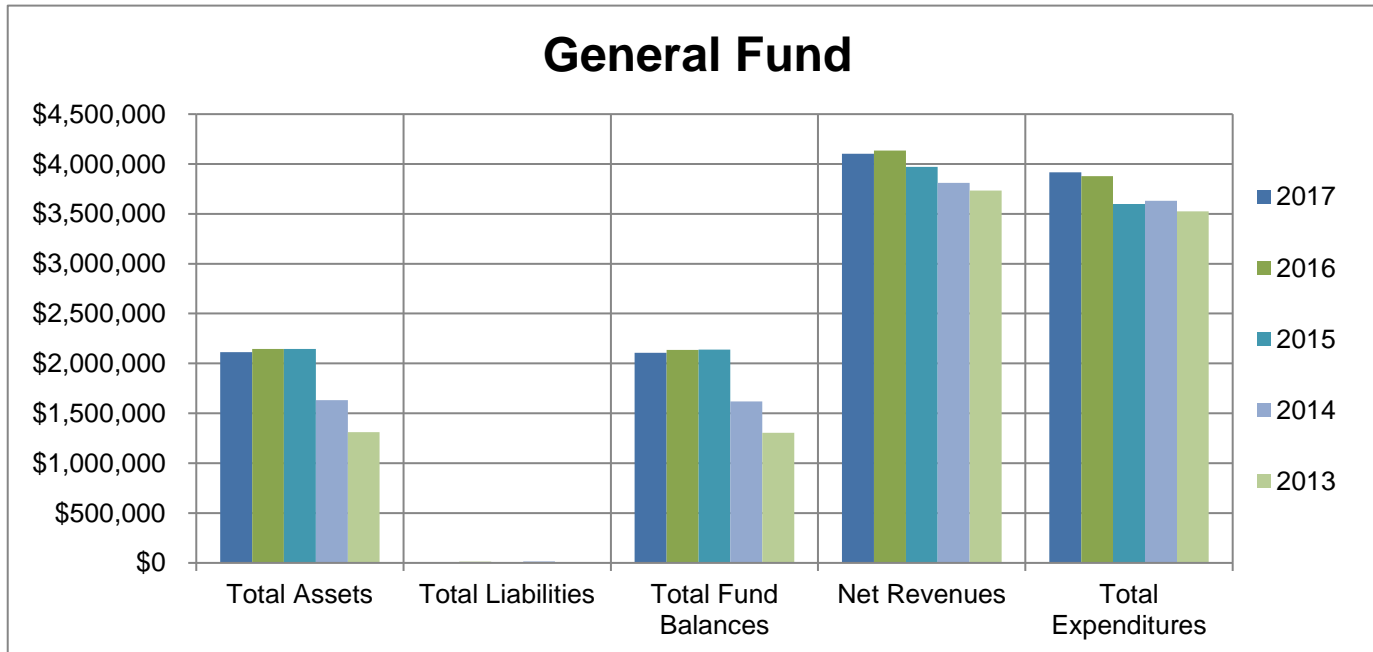
Schedule 3

	December 31, 2017
Land	\$ 97,926
Buildings	5,042,870
Improvements	188,551
Equipment	5,914,676
Total	\$ 11,244,023
<u>Fixed Assets-Library</u>	
Land and Buildings	\$ 630,607
Improvements	389,151
Equipment	61,472
Total	\$ 1,081,230

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

Schedule 4-1

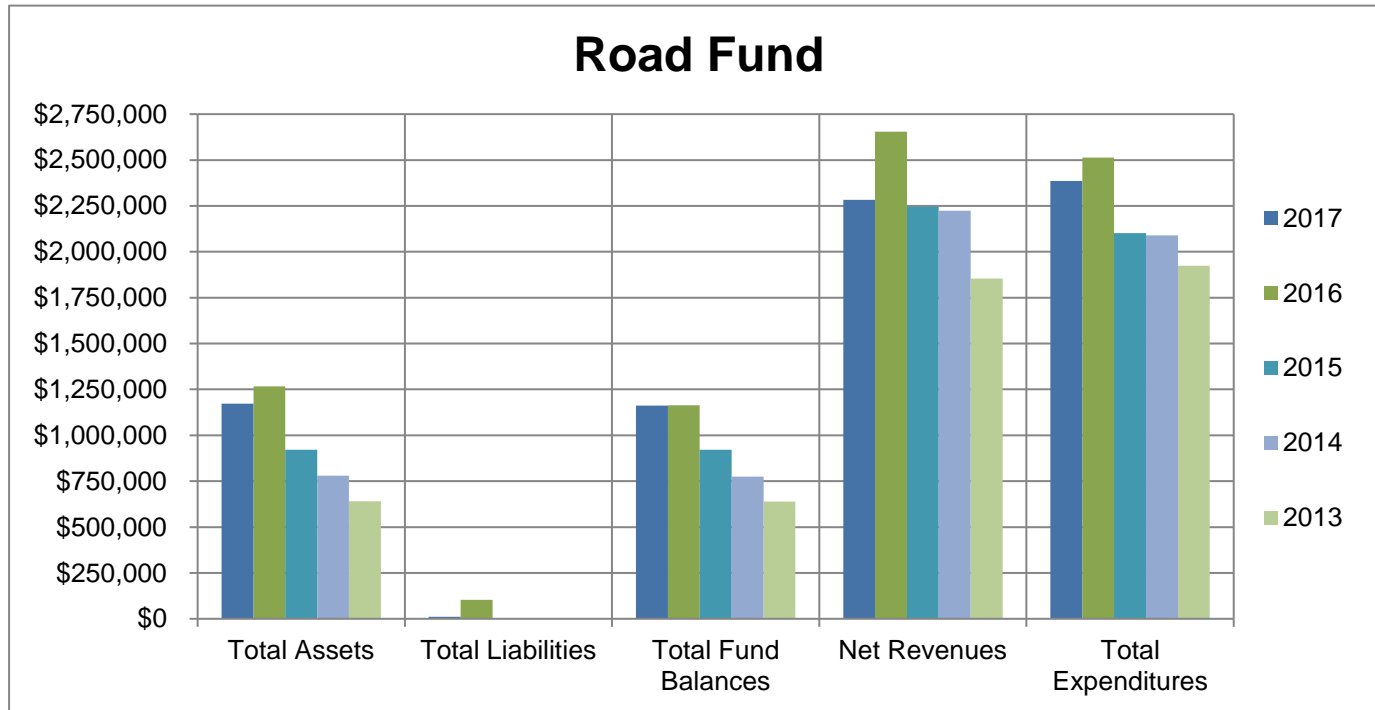
General	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 2,112,731	\$ 2,146,143	\$ 2,143,696	\$ 1,632,396	\$ 1,309,735
Total Liabilities	6,834	10,424	4,071	14,613	6,066
Total Fund Balances	2,105,897	2,135,719	2,139,625	1,617,783	1,303,669
Net Revenues	4,102,677	4,136,000	3,969,732	3,810,242	3,732,912
Total Expenditures	3,918,012	3,877,240	3,597,961	3,630,795	3,525,471
Total Other Financing Sources/Uses	(214,487)	(262,666)	150,071	134,667	96,147



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

Schedule 6-2

<u>Road</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 1,172,650	\$ 1,266,951	\$ 921,472	\$ 779,220	\$ 641,193
Total Liabilities	11,162	103,348	334	4,347	1,817
Total Fund Balances	1,161,488	1,163,603	921,138	774,873	639,376
Net Revenues	2,283,196	2,655,193	2,246,688	2,223,662	1,854,638
Total Expenditures	2,385,311	2,512,728	2,101,782	2,089,850	1,924,484
Total Other Financing Sources/Uses	100,000	100,000	1,359	1,685	97,133



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

Schedule 6-3

<u>Other Funds in the Aggregate</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 14,707,214	\$ 13,647,767	\$ 3,702,408	\$ 2,667,720	\$ 2,343,402
Total Liabilities	1,046,128	337,941	352,025	321,374	321,486
Total Fund Balances	13,661,086	13,309,826	3,350,383	2,346,346	2,021,916
Net Revenues	4,666,779	2,578,219	3,181,585	2,398,718	2,151,978
Total Expenditures	4,430,006	2,742,853	2,026,117	1,987,879	2,064,719
Total Other Financing Sources/Uses	114,487	10,124,077	(151,430)	(136,352)	(193,280)

