

Mississippi County, Arkansas

Financial and Compliance Report

December 31, 2019

LEGISLATIVE JOINT AUDITING COMMITTEE



MISSISSIPPI COUNTY, ARKANSAS
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Financial and Compliance Report

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Arkansas

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Sen. Gary Stubblefield
Senate Vice Chair



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House Chair
Rep. Nelda Speaks
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

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

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Mississippi County, Arkansas, as of and for the year ended December 31, 2019, and have issued our report thereon dated March 10, 2021. These procedures were not performed for the County Library and County Hospital Board Funds. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

County Judge: John Alan Nelson
Treasurer: Peggy Meatte
Sheriff: Dale Cook
Tax Collector: Susan McCormick
County Clerk: Janice Currie
Circuit Clerk: Leslie Mason
Assessor: Harley Bradley

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

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

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

ARKANSAS LEGISLATIVE AUDIT

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
March 10, 2021
LOCO04719

MISSISSIPPI COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019
(UNAUDITED)

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 6,185,444	\$ 2,422,227	\$ 31,484,278
Investments			725,417
Accounts receivable	<u>384,851</u>	<u>10,540</u>	<u>432,154</u>
TOTAL ASSETS	<u><u>\$ 6,570,295</u></u>	<u><u>\$ 2,432,767</u></u>	<u><u>\$ 32,641,849</u></u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 209,848	\$ 267,585	\$ 461,984
Settlements pending		<u>1,578</u>	<u>1,334,491</u>
Total Liabilities	<u>209,848</u>	<u>269,163</u>	<u>1,796,475</u>
Fund Balances:			
Restricted		2,163,604	30,944,255
Assigned	19,586		
Unassigned	<u>6,340,861</u>		<u>(98,881)</u>
Total Fund Balances	<u>6,360,447</u>	<u>2,163,604</u>	<u>30,845,374</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 6,570,295</u></u>	<u><u>\$ 2,432,767</u></u>	<u><u>\$ 32,641,849</u></u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 761,366	\$ 2,012,876	\$ 245,687
Federal aid	41,599		395,995
Property taxes	4,744,190	1,200,001	672,418
Sales taxes	2,093,344		8,857,626
Fines, forfeitures, and costs	637,887		114,418
Interest	118,299	58,058	540,244
Officers' fees	118,845		240,366
Franchise fees	6,320		
Jail fees			538,097
Emergency 911 fees			437,672
Landfill fees			3,606,344
Gain/(loss) on investments			23,208
Donations			52,698
Treasurer's commission	171,274		59,392
Collector's commission	250,806		121,062
Taxes apportioned - Assessor's salary and expense	671,213		
Other	511,746	31,019	33,878
	<u>10,126,889</u>	<u>3,301,954</u>	<u>15,939,105</u>
TOTAL REVENUES			
Less: Treasurer's commission	65,401	25,031	87,706
	<u>10,061,488</u>	<u>3,276,923</u>	<u>15,851,399</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	3,255,063		4,124,819
Law enforcement	5,280,559		2,826,980
Highways and streets		3,285,703	
Public safety	39,863		424,786
Sanitation			2,146,006
Health	95,083		136,558
Social services	394,397		428,652
Total Current	<u>9,064,965</u>	<u>3,285,703</u>	<u>10,087,801</u>
Debt Service:			
Bond principal			274,512
Bond interest and other charges			409,069
Lease principal		24,041	
Lease interest		4,677	
	<u>9,064,965</u>	<u>3,314,421</u>	<u>10,771,382</u>
TOTAL EXPENDITURES			

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 996,523</u>	<u>\$ (37,498)</u>	<u>\$ 5,080,017</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			17,632,020
Transfers out			(17,632,020)
Bond Proceeds			17,635,000
Transfer of property and sales taxes to County Hospital Board			(3,773,810)
Transfer of property and sales taxes to County Library			(864,638)
Premium earned on bond issue			<u>464,277</u>
TOTAL OTHER FINANCING SOURCES (USES)			<u>13,460,829</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	996,523	(37,498)	18,540,846
FUND BALANCES - JANUARY 1	<u>5,363,924</u>	<u>2,201,102</u>	<u>12,304,528</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 6,360,447</u></u>	<u><u>\$ 2,163,604</u></u>	<u><u>\$ 30,845,374</u></u>

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

MISSISSIPPI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 782,167	\$ 761,366	\$ (20,801)	\$ 2,002,891	\$ 2,012,876	\$ 9,985
Federal aid	41,599	41,599				
Property taxes	4,764,375	4,744,190	(20,185)	1,210,649	1,200,001	(10,648)
Sales taxes	2,264,375	2,093,344	(171,031)			
Fines, forfeitures, and costs	556,900	637,887	80,987			
Interest	116,510	118,299	1,789	13,356	58,058	44,702
Officers' fees	120,410	118,845	(1,565)			
Franchise fees	5,809	6,320	511			
Treasurer's commission		171,274	171,274			
Collector's commission	246,571	250,806	4,235			
Taxes apportioned - Assessor's salary and expense	654,660	671,213	16,553			
Other	420,657	511,746	91,089	29,822	31,019	1,197
TOTAL REVENUES	9,974,033	10,126,889	152,856	3,256,718	3,301,954	45,236
Less: Treasurer's commission	65,266	65,401	(135)	24,930	25,031	(101)
NET REVENUES	9,908,767	10,061,488	152,721	3,231,788	3,276,923	45,135
EXPENDITURES						
Current:						
General government	3,305,490	3,255,063	50,427			
Law enforcement	4,014,681	5,280,559	(1,265,878)			
Highways and streets				3,314,512	3,285,703	28,809
Public safety	39,863	39,863				
Health	95,083	95,083				
Social services	176,045	394,397	(218,352)			
Total Current	7,631,162	9,064,965	(1,433,803)	3,314,512	3,285,703	28,809
Debt Service:						
Lease principal					24,041	(24,041)
Lease interest					4,677	(4,677)
TOTAL EXPENDITURES	7,631,162	9,064,965	(1,433,803)	3,314,512	3,314,421	91

MISSISSIPPI COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,277,605	\$ 996,523	\$ (1,281,082)	\$ (82,724)	\$ (37,498)	\$ 45,226
OTHER FINANCING SOURCES (USES)						
Transfers in	338,305		(338,305)			
Transfers out	(1,992,747)		1,992,747			
TOTAL OTHER FINANCING SOURCES (USES)	(1,654,442)		1,654,442			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	623,163	996,523	373,360	(82,724)	(37,498)	45,226
FUND BALANCES - JANUARY 1		5,363,924	5,363,924		2,201,102	2,201,102
FUND BALANCES - DECEMBER 31	\$ 623,163	\$ 6,360,447	\$ 5,737,284	\$ (82,724)	\$ 2,163,604	\$ 2,246,328

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

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk Automation	County Recorder Cost	Solid Waste	Child Support Collection Costs	Communication Facility and Equipment
ASSETS									
Cash and cash equivalents	\$ 54,758	\$ 225,205	\$ 22,192	\$ 26	\$ 5,118	\$ 157,756	\$ 2,003,321	\$ 1,263	\$ 7,388
Investments									
Accounts receivable	107	346	1,030	1	450	20,354	240,058	3	1,313
TOTAL ASSETS	\$ 54,865	\$ 225,551	\$ 23,222	\$ 27	\$ 5,568	\$ 178,110	\$ 2,243,379	\$ 1,266	\$ 8,701
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 160	\$ 4,930				\$ 4,472	\$ 155,096		\$ 271
Settlements pending									
Total Liabilities	160	4,930				4,472	155,096		271
Fund Balances:									
Restricted	54,705	220,621	\$ 23,222	\$ 27	\$ 5,568	173,638	2,088,283	\$ 1,266	8,430
Unassigned									
Total Fund Balances	54,705	220,621	23,222	27	5,568	173,638	2,088,283	1,266	8,430
TOTAL LIABILITIES AND FUND BALANCES	\$ 54,865	\$ 225,551	\$ 23,222	\$ 27	\$ 5,568	\$ 178,110	\$ 2,243,379	\$ 1,266	\$ 8,701

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Drug Control	Jail Operation and Maintenance (Act 1188)	Boating Safety and Enforcement	Emergency 911	Drug Court Program	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee
ASSETS								
Cash and cash equivalents	\$ 2,806	\$ 1,205	\$ 23	\$ 114,277	\$ 5,471	\$ 61,988	\$ 9,692	\$ 1,113
Investments								
Accounts receivable		2,032		92,506		1,219	597	
TOTAL ASSETS	\$ 2,806	\$ 3,237	\$ 23	\$ 206,783	\$ 5,471	\$ 63,207	\$ 10,289	\$ 1,113
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 6,405		\$ 270		
Settlements pending								
Total Liabilities				6,405		270		
Fund Balances:								
Restricted	\$ 2,806	\$ 3,237	\$ 23	200,378	\$ 5,471	62,937	\$ 10,289	\$ 1,113
Unassigned								
Total Fund Balances	2,806	3,237	23	200,378	5,471	62,937	10,289	1,113
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,806	\$ 3,237	\$ 23	\$ 206,783	\$ 5,471	\$ 63,207	\$ 10,289	\$ 1,113

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS								
	County Hospital	Senior Citizens	Economic Development	Sheriff's Helicopter	Local Emergency Response Grant	Officers' Protection Equipment	County Jail Sales Tax	Juvenile Detention Grant
ASSETS								
Cash and cash equivalents		\$ 2,201	\$ 10,054,896	\$ 566	\$ 764	\$ 25	\$ 27,855	\$ 16,311
Investments								
Accounts receivable	\$ 4,754	22,859	2,880	1	1		41,628	
TOTAL ASSETS	\$ 4,754	\$ 25,060	\$ 10,057,776	\$ 567	\$ 765	\$ 25	\$ 69,483	\$ 16,311
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		\$ 14,882	\$ 106,783				\$ 168,364	\$ 351
Settlements pending	\$ 936							
Total Liabilities	936	14,882	106,783				168,364	351
Fund Balances:								
Restricted	3,818	10,178	9,950,993	\$ 567	\$ 765	\$ 25		15,960
Unassigned							(98,881)	
Total Fund Balances	3,818	10,178	9,950,993	567	765	25	(98,881)	15,960
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,754	\$ 25,060	\$ 10,057,776	\$ 567	\$ 765	\$ 25	\$ 69,483	\$ 16,311

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	DEBT SERVICE FUNDS	
	Justice Administration Grant	Historical Preservation Grant	Mental Health Grant	Landfill	County Library	Courthouse Construction	Arkansas Natural Resources Commission Solid Waste Revenue Bond	Mississippi County Sales and Use Tax Bonds, Series 2019
ASSETS								
Cash and cash equivalents	\$ 44,798	\$ 170	\$ 1,158	\$ 113,791		\$ 16,624,744	\$ 30,950	\$ 558,892
Investments				725,417				
Accounts receivable					\$ 15			
TOTAL ASSETS	\$ 44,798	\$ 170	\$ 1,158	\$ 839,208	\$ 15	\$ 16,624,744	\$ 30,950	\$ 558,892
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								
Settlements pending								
Total Liabilities								
Fund Balances:								
Restricted	\$ 44,798	\$ 170	\$ 1,158	\$ 839,208	\$ 15	\$ 16,624,744	\$ 30,950	\$ 558,892
Unassigned								
Total Fund Balances	44,798	170	1,158	839,208	15	16,624,744	30,950	558,892
TOTAL LIABILITIES AND FUND BALANCES	\$ 44,798	\$ 170	\$ 1,158	\$ 839,208	\$ 15	\$ 16,624,744	\$ 30,950	\$ 558,892

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

CUSTODIAL FUNDS

	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Other Custodial Accounts	Totals
ASSETS							
Cash and cash equivalents	\$ 300,079	\$ 341,220	\$ 131,618	\$ 24,749	\$ 281,842	\$ 254,047	\$ 31,484,278
Investments							725,417
Accounts receivable							432,154
TOTAL ASSETS	\$ 300,079	\$ 341,220	\$ 131,618	\$ 24,749	\$ 281,842	\$ 254,047	\$ 32,641,849
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 461,984
Settlements pending	\$ 300,079	\$ 341,220	\$ 131,618	\$ 24,749	\$ 281,842	\$ 254,047	1,334,491
Total Liabilities	300,079	341,220	131,618	24,749	281,842	254,047	1,796,475
Fund Balances:							
Restricted							30,944,255
Unassigned							(98,881)
Total Fund Balances							30,845,374
TOTAL LIABILITIES AND FUND BALANCES	\$ 300,079	\$ 341,220	\$ 131,618	\$ 24,749	\$ 281,842	\$ 254,047	\$ 32,641,849

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk Automation	County Recorder Cost	Solid Waste	Child Support Collection Costs	Communication Facility and Equipment
REVENUES									
State aid				\$ 14,142					
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 16,911						
Interest	\$ 1,143	\$ 4,349	808	184	\$ 60	\$ 4,779	\$ 29,687	\$ 28	\$ 290
Officers' fees					6,256	220,289		387	
Jail fees									76,762
Emergency 911 fees									
Landfill fees							3,606,344		
Gain/(loss) on investments									
Donations									
Treasurer's commission	59,392								
Collector's commission		121,062							
Other							7,196		
TOTAL REVENUES	60,535	125,411	17,719	14,326	6,316	225,068	3,643,227	415	77,052
Less: Treasurer's commission		1	133	1	50	1,677	28,483	3	109
NET REVENUES	60,535	125,410	17,586	14,325	6,266	223,391	3,614,744	412	76,943
EXPENDITURES									
Current:									
General government	57,191	138,137		14,467	3,213	266,616		36	
Law enforcement			31,308						102,874
Public safety									
Sanitation							2,145,056		
Health									
Social services									
Total Current	57,191	138,137	31,308	14,467	3,213	266,616	2,145,056	36	102,874
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	57,191	138,137	31,308	14,467	3,213	266,616	2,145,056	36	102,874
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,344	(12,727)	(13,722)	(142)	3,053	(43,225)	1,469,688	376	(25,931)
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out							(379,173)		
Bond Proceeds									
Transfer of property and sales taxes to County Hospital Board									
Transfer of property and sales taxes to County Library									
Premium earned on bond issue									
TOTAL OTHER FINANCING SOURCES (USES)							(379,173)		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,344	(12,727)	(13,722)	(142)	3,053	(43,225)	1,090,515	376	(25,931)
FUND BALANCES - JANUARY 1	51,361	233,348	36,944	169	2,515	216,863	997,768	890	34,361
FUND BALANCES - DECEMBER 31	\$ 54,705	\$ 220,621	\$ 23,222	\$ 27	\$ 5,568	\$ 173,638	\$ 2,088,283	\$ 1,266	\$ 8,430

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Drug Control	Jail Operation and Maintenance (Act 1188)	Boating Safety and Enforcement	Emergency 911	Drug Court Program	Circuit Court Juvenile Division	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee	County Hospital
REVENUES									
State aid			\$ 1,870						\$ 50,301
Federal aid									
Property taxes								\$ 950	671,444
Sales taxes									2,812,774
Fines, forfeitures, and costs	\$ 2,323	\$ 92,834			\$ 880				
Interest	1	255	5	\$ 3,646		\$ 1,422	\$ 339	1	1,511
Officers' fees						10,171	3,263		
Jail fees									
Emergency 911 fees				437,672					
Landfill fees									
Gain/(loss) on investments									
Donations									
Treasurer's commission									
Collector's commission									
Other				315	155	850			
TOTAL REVENUES	<u>2,324</u>	<u>93,089</u>	<u>1,875</u>	<u>441,633</u>	<u>1,035</u>	<u>12,443</u>	<u>3,602</u>	<u>951</u>	<u>3,536,030</u>
Less: Treasurer's commission	18	754	15	2,744	9	75	22	8	29,391
NET REVENUES	<u>2,306</u>	<u>92,335</u>	<u>1,860</u>	<u>438,889</u>	<u>1,026</u>	<u>12,368</u>	<u>3,580</u>	<u>943</u>	<u>3,506,639</u>
EXPENDITURES									
Current:									
General government									
Law enforcement		165,742			34	9,715	3,011		
Public safety			1,862	407,924					
Sanitation									
Health									
Social services									
Total Current		<u>165,742</u>	<u>1,862</u>	<u>407,924</u>	<u>34</u>	<u>9,715</u>	<u>3,011</u>		
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES		<u>165,742</u>	<u>1,862</u>	<u>407,924</u>	<u>34</u>	<u>9,715</u>	<u>3,011</u>		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,306</u>	<u>(73,407)</u>	<u>(2)</u>	<u>30,965</u>	<u>992</u>	<u>2,653</u>	<u>569</u>	<u>943</u>	<u>3,506,639</u>
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Bond Proceeds									
Transfer of property and sales taxes to County Hospital Board									(3,773,810)
Transfer of property and sales taxes to County Library									
Premium earned on bond issue									
TOTAL OTHER FINANCING SOURCES (USES)									<u>(3,773,810)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>2,306</u>	<u>(73,407)</u>	<u>(2)</u>	<u>30,965</u>	<u>992</u>	<u>2,653</u>	<u>569</u>	<u>943</u>	<u>(267,171)</u>
FUND BALANCES - JANUARY 1	500	76,644	25	169,413	4,479	60,284	9,720	170	270,989
FUND BALANCES - DECEMBER 31	<u>\$ 2,806</u>	<u>\$ 3,237</u>	<u>\$ 23</u>	<u>\$ 200,378</u>	<u>\$ 5,471</u>	<u>\$ 62,937</u>	<u>\$ 10,289</u>	<u>\$ 1,113</u>	<u>\$ 3,818</u>

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Senior Citizens	Economic Development	Sheriff's Helicopter	Local Emergency Response Grant	Officers' Protection Equipment	County Jail Sales Tax	Juvenile Detention Grant	Justice Administration Grant	Local Law Enforcement Block Grant
REVENUES									
State aid	\$ 147,483						\$ 16,891		
Federal aid	189,168							\$ 66,811	\$ 2,300
Property taxes									
Sales taxes		\$ 3,220,955				\$ 1,610,477			
Fines, forfeitures, and costs						1,470			
Interest	718	248,262	\$ 16	\$ 19		1,498			
Officers' fees									
Jail fees						461,335			
Emergency 911 fees									
Landfill fees									
Gain/(loss) on investments									
Donations	42,673				\$ 10,025				
Treasurer's commission									
Collector's commission									
Other	215	2,000	10			23,075			
TOTAL REVENUES	380,257	3,471,217	26	19	10,025	2,097,855	16,891	66,811	2,300
Less: Treasurer's commission						17,446			
NET REVENUES	380,257	3,471,217	26	19	10,025	2,080,409	16,891	66,811	2,300
EXPENDITURES									
Current:									
General government		2,445,255							
Law enforcement			328		10,000	2,466,019	13,636	22,013	2,300
Public safety									
Sanitation									
Health									
Social services	428,652								
Total Current	428,652	2,445,255	328		10,000	2,466,019	13,636	22,013	2,300
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	428,652	2,445,255	328		10,000	2,466,019	13,636	22,013	2,300
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(48,395)	1,025,962	(302)	19	25	(385,610)	3,255	44,798	
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Bond Proceeds									
Transfer of property and sales taxes to County Hospital Board									
Transfer of property and sales taxes to County Library									
Premium earned on bond issue									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(48,395)	1,025,962	(302)	19	25	(385,610)	3,255	44,798	
FUND BALANCES - JANUARY 1	58,573	8,925,031	869	746		286,729	12,705		
FUND BALANCES - DECEMBER 31	\$ 10,178	\$ 9,950,993	\$ 567	\$ 765	\$ 25	\$ (98,881)	\$ 15,960	\$ 44,798	\$ 0

MISSISSIPPI COUNTY, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	DEBT SERVICE FUNDS		Totals
	Courtroom Security Grant	Historical Preservation Grant	Mental Health Grant	Landfill	County Library	Courthouse Construction	Arkansas Natural Resources Commission Solid Waste Revenue Bond	Mississippi County Sales and Use Tax Bonds, Series 2019	
REVENUES									
State aid	\$ 15,000								\$ 245,687
Federal aid			\$ 137,716						395,995
Property taxes					\$ 24				672,418
Sales taxes					805,239			\$ 408,181	8,857,626
Fines, forfeitures, and costs									114,418
Interest				\$ 11,634	314	\$ 220,909	\$ 1,510	6,856	540,244
Officers' fees									240,366
Jail fees									538,097
Emergency 911 fees									437,672
Landfill fees									3,606,344
Gain/(loss) on investments				23,208					23,208
Donations									52,698
Treasurer's commission									59,392
Collector's commission									121,062
Other						62			33,878
TOTAL REVENUES	15,000		137,716	34,842	805,577	220,971	1,510	415,037	15,939,105
Less: Treasurer's commission					6,767				87,706
NET REVENUES	15,000		137,716	34,842	798,810	220,971	1,510	415,037	15,851,399
EXPENDITURES									
Current:									
General government						849,074		350,830	4,124,819
Law enforcement									2,826,980
Public safety	15,000								424,786
Sanitation				400			550		2,146,006
Health			136,558						136,558
Social services									428,652
Total Current	15,000		136,558	400		849,074	550	350,830	10,087,801
Debt Service:									
Bond principal							274,512		274,512
Bond interest and other charges							57,324	351,745	409,069
TOTAL EXPENDITURES	15,000		136,558	400		849,074	332,386	702,575	10,771,382
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			1,158	34,442	798,810	(628,103)	(330,876)	(287,538)	5,080,017
OTHER FINANCING SOURCES (USES)									
Transfers in				46,787		17,252,847	332,386		17,632,020
Transfers out								(17,252,847)	(17,632,020)
Bond Proceeds								17,635,000	17,635,000
Transfer of property and sales taxes to County Hospital Board									(3,773,810)
Transfer of property and sales taxes to County Library					(864,638)				(864,638)
Premium earned on bond issue								464,277	464,277
TOTAL OTHER FINANCING SOURCES (USES)				46,787	(864,638)	17,252,847	332,386	846,430	13,460,829
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES			1,158	81,229	(65,828)	16,624,744	1,510	558,892	18,540,846
FUND BALANCES - JANUARY 1		\$ 170		757,979	65,843		29,440		12,304,528
FUND BALANCES - DECEMBER 31	\$ 0	\$ 170	\$ 1,158	\$ 839,208	\$ 15	\$ 16,624,744	\$ 30,950	\$ 558,892	\$ 30,845,374

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commission to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the purpose of administering Ark. Const. amend. 79.
County Clerk Automation	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Recorder Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
Solid Waste	Ark. Code Ann. § 8-6-212 authorizes counties to fund a solid waste management system for the county by assessing fees, charges, and licenses. Each fee, charge, and license shall be based on a fee schedule contained in an ordinance. County Ordinance no. 2013-15 (November 19, 2013) authorized solid waste fees for operation, maintenance, cell construction, and closure and postclosure costs for the landfill.
Child Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of Sheriff's fees collected, phone commission funds, and profits earned from prisoner commissary services to be used to train operations staff; operate, equip, repair, or replace existing communication equipment; purchase additional communications equipment; otherwise improve a communications facility or system for the sheriff's department; or purchase vehicles, weapons, or other equipment for the sheriff's department.
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 (Act 1188)	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Boating Safety and Enforcement	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within the 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.
Drug Court Program	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
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 expense of the office of circuit clerk.
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201 established fund to receive \$.50 fee on delinquent persons which shall be used by the county assessor to help pay for the expense of assessing property.
County Hospital	Mississippi County Ordinance no. 2016-12 (November 28, 2006) established a four mill real and personal property tax per an election by the voters for hospital purposes. Mississippi County Ordinance no. 2014-12 (July 22, 2014) established a sales tax approved by the voters for hospital purposes.
Senior Citizens	Established to account for federal and state funds received to maintain the Senior Citizens Center and provide services to seniors.
Economic Development	Mississippi County Ordinance no. 2010-9 (May 25, 2010) provided for the levy of a one-half percent sales tax as decided by the voters for economic development purposes. State and federal grants are also received for economic development purposes.
Sheriff's Helicopter	Established to account for donations to be used for sheriff and helicopter expenses.
Local Emergency Response Grant	Established to account for grants received to be used for the Office of Emergency Services.
Officers' Protection Equipment	Established to account for donations received for the purchase of police firearms and ammunition.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
County Jail Sales Tax	Mississippi County Ordinance no. O-98-11 (July 28, 1998) provided for a one eighth of one percent sales and use tax as decided by the voters to be designated for the purpose of financing the operation and maintenance of court facilities, jails, juvenile facilities, and Sheriff's stations. The County includes jail fee revenue in this fund as well as reimbursements of restricted sales tax revenue spent to house prisoners.
Juvenile Detention Grant	Established to account for grants received from the Arkansas Department of Finance and Administration to supplement juvenile detention facilities operations.
Justice Administration Grant	Established to account for federal grant to be used for law enforcement purposes.
Local Law Enforcement Block Grant	Established to account for federal grant used to purchase law enforcement equipment.
Courtroom Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Historical Preservation Grant	Established to account for grant received from the Arkansas Historic Preservation Program, an agency of the Department of Arkansas Heritage, for repairs to restore the courthouse.
Mental Health Grant	Established to account for a grant from the Department of Justice to provide mental health services for county citizens.
Landfill	Established to meet the financial assurance requirements of Ark. Code Ann. §§ 8-6-1603, 8-6-1002. This is an approved mechanism to be used to demonstrate financial assurance by Arkansas Department of Environmental Quality.
County Library	Mississippi County Ordinance no. O-98-11 (July 28, 1998) provided for a one eighth of one percent sales and use tax as decided by the voters to be designated for the purpose of financing the operation and maintenance of the Mississippi County Library facilities.
Courthouse Construction	Established to account for construction expenditures to construct a new courthouse financed by a .5% sales tax approved by the voters per Ordinance 2019-06.
Arkansas Natural Resources Commission Solid Waste Revenue Bond	Established to account for debt service payments for Arkansas Natural Resources Commission Solid Waste Revenue Bond.
Mississippi County Sales and Use Tax Bonds, Series 2019	Established to account for debt service payments for bonds to finance construction for a new courthouse.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
	Treasurer's accounts consist primarily of property taxes, interest, fines, fees and Law Library monies awaiting settlements.
	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 the treasurer and payroll related withholdings.
	Circuit Clerk's accounts consist of trust money and settlements due to the treasurer.
	Other Custodial accounts consist of landfill monies, probation fees awaiting disposition to the county, and petty cash used for the Senior Citizens program.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

1. A. **Basis of Presentation - Regulatory**

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

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

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

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

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

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

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

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

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

1. (Continued)

B. Basis of Accounting - Regulatory

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

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts, certificates of deposit, treasury bills, and short-term investments with an original maturity of three months or less.

Investments

Investments are reported at fair market value.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, interest, fees, payroll settlements and tax settlements 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.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

1. (Continued)

D. Property Taxes

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

E. Budget Law

1. Legal Requirements

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

2. Accounting

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

F. Fund Balance Classification Policies and Procedures

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

For classification of fund balance amounts, restricted resources are considered spent before unrestricted. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

There were no committed fund balances at year end.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

2. Details of Fund Balance Classifications

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

<u>Description</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>Other Funds in the Aggregate</u>
Fund Balances:			
Restricted for:			
General government			\$ 10,408,101
Law enforcement			178,507
Highways and streets		\$ 2,163,604	
Public safety			200,401
Sanitation			2,927,491
Health			4,976
Recreation and culture			15
Social services			10,178
Capital outlay			16,624,744
Debt service			589,842
Total Restricted		<u>2,163,604</u>	<u>30,944,255</u>
Assigned to:			
General government	\$ 2,941		
Law enforcement	<u>16,645</u>		
Total Assigned	<u>19,586</u>		
Unassigned	<u>6,340,861</u>		<u>(98,881)</u>
Totals	<u>\$ 6,360,447</u>	<u>\$ 2,163,604</u>	<u>\$ 30,845,374</u>

3. Commitments

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

	<u>December 31, 2019</u>
Long-term liabilities	\$ 21,566,874
Noncancellable leases	597,307
Reappraisal contract	554,818
Construction contracts	<u>13,312,737</u>
Total Commitments	<u>\$ 36,031,736</u>

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

3. Commitments (Continued)

Long-term Liabilities

Long-term liabilities at December 31, 2019, are comprised of the following:

	December 31, 2019
<u>Bonds</u>	
Mississippi County Sales and Use Tax Bonds of \$17,635,000 dated May 21, 2019; due in semi-annual installments of \$16,116 to \$971,116 plus interest through December 31, 2049; interest at 3.375-5%. Payments are to be made from the Mississippi County Sales and Use Tax Bonds, Series 2019 Debt Service Fund.	\$ 17,635,000
Solid Waste Revenue Bond of \$2,884,000 dated June 2, 2016, through the Arkansas Natural Resources Commission, due in semi-annual installments of \$165,918 through June 1, 2026, interest rate 2.75%. Payments are to be made from the Arkansas Natural Resources Commission Solid Waste Revenue Bond Fund.	1,878,149
Total Bonds	19,513,149
<u>Direct Borrowings</u>	
The County entered into a capital lease agreement for \$118,350 for a Caterpillar Motor Grader on April 30, 2018. Terms are 60 monthly payments of \$2,209 at 4.55% interest, with a \$1 balloon payment added to the final payment. Payments are to be made from the Road Fund.	81,846
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	181,504
Landfill closure and postclosure care costs	1,790,375
Total Long-term liabilities	\$ 21,566,874

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

The County's outstanding bonds payable of \$17,635,000 contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The County's outstanding bonds payable of \$1,878,149 contain a provision that in an event of default, the Trustee may by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The County's outstanding notes from direct borrowings of \$81,846 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

3. Commitments (Continued)

Landfill Closure and Postclosure Care Costs

State and federal laws require that Mississippi County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at landfill sites for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfills stop accepting waste, the County is required to recognize a portion of these closure and postclosure care costs each year based on the landfills' capacity used as of each balance sheet date. The estimated liability for landfill and postclosure care costs has a balance of \$1,790,375 as of December 31, 2019, which is based on 25.52% use of the class one landfill and 5.87% use of the class four landfill's capacity. The County will recognize the remaining estimated cost of closure and postclosure care of \$5,752,997 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2019. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The county has set aside \$839,208 in a Trust Fund and \$1,225,000 in a Certificate of Deposit totaling \$2,064,208 as a restricted fund balance intended for closure and postclosure care costs.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2019	Maturities to December 31, 2019
<u>Bonds</u>					
5/21/19	12/31/49	3.375%-5%	\$ 17,635,000	\$ 17,635,000	\$ 0
6/2/16	6/1/26	2.75%	2,884,000	1,878,149	1,005,851
Total Bonds			<u>20,519,000</u>	<u>19,513,149</u>	<u>1,005,851</u>
<u>Direct Borrowings</u>					
4/30/18	6/10/23	4.55%	118,350	81,846	36,504
Total Long-Term Debt			<u>\$ 20,637,350</u>	<u>\$ 19,594,995</u>	<u>\$ 1,042,355</u>

Changes in Long-Term Debt

	Balance January 01, 2019	Issued	Retired	Balance December 31, 2019
Bonds payable	\$ 2,152,661	\$ 17,635,000	\$ 274,512	\$ 19,513,149
<u>Direct Borrowings</u>				
Capital leases	105,887		24,041	81,846
Total Long-Term Debt	<u>\$ 2,258,548</u>	<u>\$ 17,635,000</u>	<u>\$ 298,553</u>	<u>\$ 19,594,995</u>

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

3. Commitments (Continued)

Debt Service Requirements to Maturity

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

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 282,113	\$ 714,292	\$ 996,405	\$ 23,266	\$ 3,243	\$ 26,509
2021	614,925	698,355	1,313,280	24,347	2,162	26,509
2022	637,952	673,703	1,311,655	25,479	1,031	26,510
2023	661,203	648,077	1,309,280	8,754	83	8,837
2024	689,681	621,349	1,311,030			
2025 through 2029	2,537,275	2,757,438	5,294,713			
2030 through 2034	2,625,000	2,269,844	4,894,844			
2035 through 2039	3,185,000	1,693,431	4,878,431			
2040 through 2044	4,640,000	1,083,241	5,723,241			
2045 through 2049	3,640,000	387,787	4,027,787			
Totals	<u>\$19,513,149</u>	<u>\$11,547,517</u>	<u>\$31,060,666</u>	<u>\$ 81,846</u>	<u>\$ 6,519</u>	<u>\$ 88,365</u>

Noncancellable Leases

The County entered into a noncancellable lease agreement for five Mack Dump Trucks on July 23, 2018. Terms of the lease are monthly rental payments of \$8,976 for 16 months and \$7,182 for 20 months. At the end of the lease term, the County plans to return the equipment.

The County entered into a noncancellable lease for a Caterpillar Dozer on June 22, 2018. Terms of the lease are monthly rental payments of \$8,620 for 36 months. At the end of the lease term, the County plans to return the equipment.

The County entered into a noncancellable lease for a John Deere Row Crop Tractor on June 21, 2019. Terms of the lease are monthly rental payments of \$3,193 for 36 months. At the end of the lease term, the County plans to return the equipment.

The County entered into a noncancellable lease for two Caterpillar Road Graders of July 31, 2019. Terms of the lease are monthly rental payments of \$3,800 for 36 months. At the end of the lease term, the County plans to return the equipment.

The County entered into a noncancellable lease for two Caterpillar Road Graders on December 19, 2018. Terms of the lease are monthly rental payments of \$3,630 for 36 months. At the end of the lease term, the County plans to return the equipment.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

3. Commitments (Continued)

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

Year	December 31, 2019
2020	\$ 317,081
2021	229,456
2022	<u>50,770</u>
Total	<u>\$ 597,307</u>

Rental expense for 2019 was \$506,272.

County-Wide Reappraisal Contract

The County entered into a contract with Delta Mass Appraisal on October 26, 2017, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$16,318 for a total of \$979,080 beginning November 2017. Contract expense for 2019 was \$195,818.

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

Year	December 31, 2019
2020	\$ 195,818
2021	195,818
2022	<u>163,182</u>
Total	<u>\$ 554,818</u>

Construction Contracts

The County was contractually obligated for the following construction contracts at December 31, 2019:

Project Name	Completed or Estimated Completion Date	Contract Balance December 31, 2019
Mississippi County Class 1 Phase 1 Landfill Improvements	December 31, 2020	\$ 48,744
Mississippi County Courthouse Construction Project	July 31, 2021	<u>13,263,993</u>
Total Construction Contracts		<u>\$ 13,312,737</u>

4. Interfund Transfers

Other Funds in the Aggregate transferred \$17,632,020 from within. The Solid Waste Fund transferred \$379,173 (\$332,386 to Arkansas Natural Resources Commission and \$46,787 to Landfill) for solid waste debt and operational purposes. The Mississippi County Sales and Use Tax Bonds, Series 2019 Fund transferred \$17,252,847 for courthouse construction purposes.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

5. Change in Accounting Policy

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

6. Subsequent Events

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered the Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). The extent of the impact of COVID-19 on the financial statements for future reporting periods will depend on certain developments, including the duration and speed of the outbreak, revenue collections, and any other possible issues – all of which are uncertain and cannot be predicted. The financial impact of COVID-19 to the County is uncertain.

On November 30, 2020 and December 15, 2020, the County received \$11,396 and \$607,762 respectively in federal aid from the Coronavirus Aid, Relief, and Economic Securities (CARES) Act.

7. Pledged Revenues

The County pledged future .5% sales and use taxes to repay \$17,635,000 in Sales and Use Tax Bonds that were issued in 2019 to provide funding for renovation and improvement of the Blytheville and Osceola Courthouses. Total principal and interest remaining on the bonds are \$17,635,000 and \$11,369,891, respectively, payable through December 31, 2049. For 2019, interest and other charges paid were \$351,745.

The Debt Service Fund received \$408,181 in sales taxes in 2019. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for financing capital improvements for the County courthouses.

The County pledged future landfill fees to repay \$2,884,000 in Solid Waste Revenue Bonds that were issued in 2016 to provide funding for the costs of acquiring, constructing and equipping a waste disposal cell and ancillary facilities for the County's landfill. Total principal and interest remaining on the bonds are \$1,878,149 and \$177,626, respectively, payable through December 31, 2026. For 2019, principal and interest paid were \$274,512 and \$57,324, respectively.

The Solid Waste Fund received \$3,606,344 in landfill fees in 2019. Any landfill fees collected in excess of debt service payments on these bonds is permitted to be used for landfill related purposes.

8. Joint Venture: Regional Library

Mississippi and Crittenden Counties entered into an agreement on July 23, 1991, in accordance with Ark. Code Ann. § 13-2-401 to establish the Mississippi County/Crittenden County Regional Library. The agreement states that the purpose of forming the regional library is "...providing improved library services to the people of the two counties. Each county shall provide its own library facilities and exercise exclusive control, ownership and management thereof, and pay the salaries for regional county library personnel in that county." The business of the Mississippi County/Crittenden County Regional Library is to be conducted by a regional board, composed of the two administrative county boards (10 members) which boards shall continue to function over their respective systems. The Regional Library Board shall approve the employment and termination of regional library personnel, the regional budget and expenditures, and regional library policies. The system headquarters shall be in Mississippi County, Arkansas. The County made no payments to the Mississippi County/Crittenden County Regional Library in 2019. Contact the Mississippi County/Crittenden County Regional Library at 200 North 5th Street, Blytheville Arkansas 72315 to obtain financial statements.

MISSISSIPPI COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

9. 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, 2019 (date of APERS Employer Allocation Report) were \$1,057,819.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2019 (actuarial valuation date and measurement date) was \$8,678,243.

10. Capital Assets

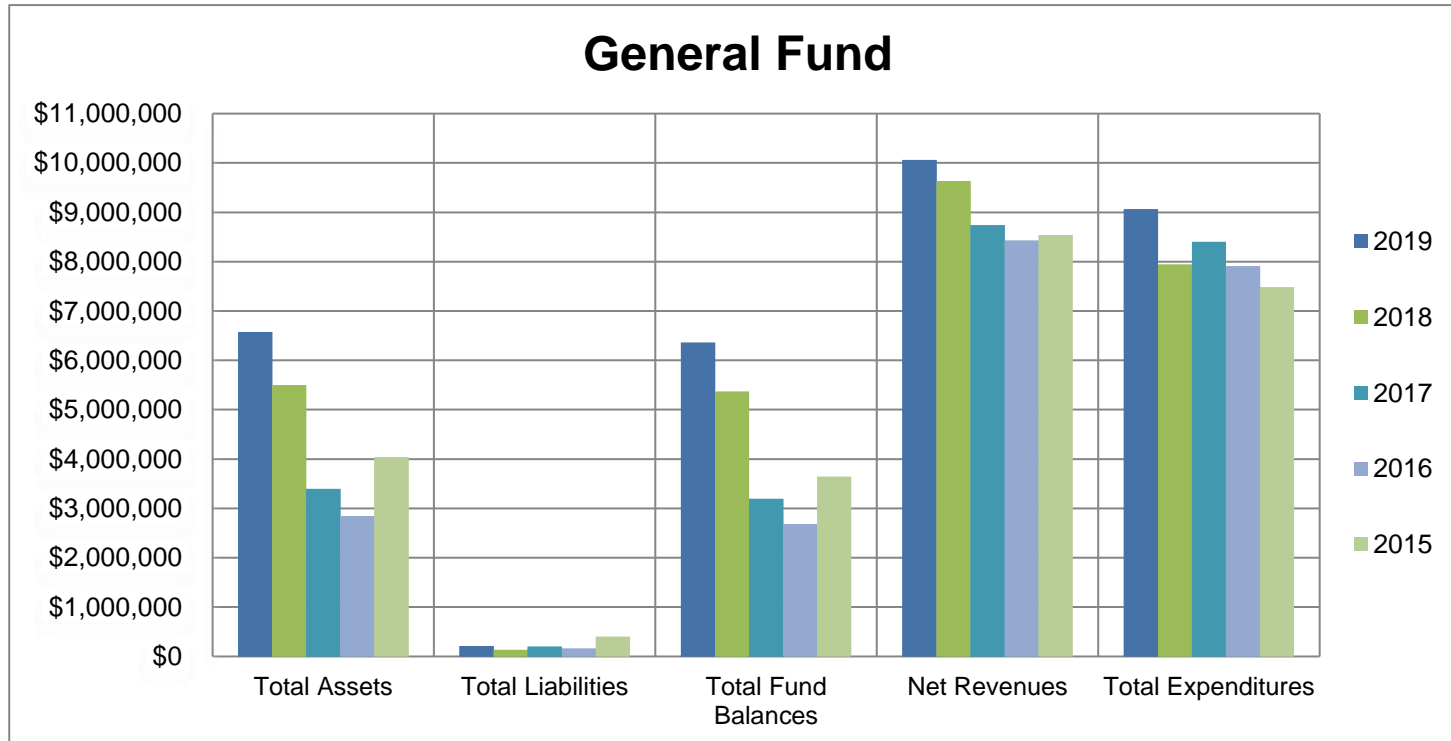
The County's capital assets records are summarized below:

	December 31, 2019
Land	\$ 3,007,018
Buildings	18,903,958
Equipment	9,459,080
Total	\$ 31,370,056

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

Schedule 3-1

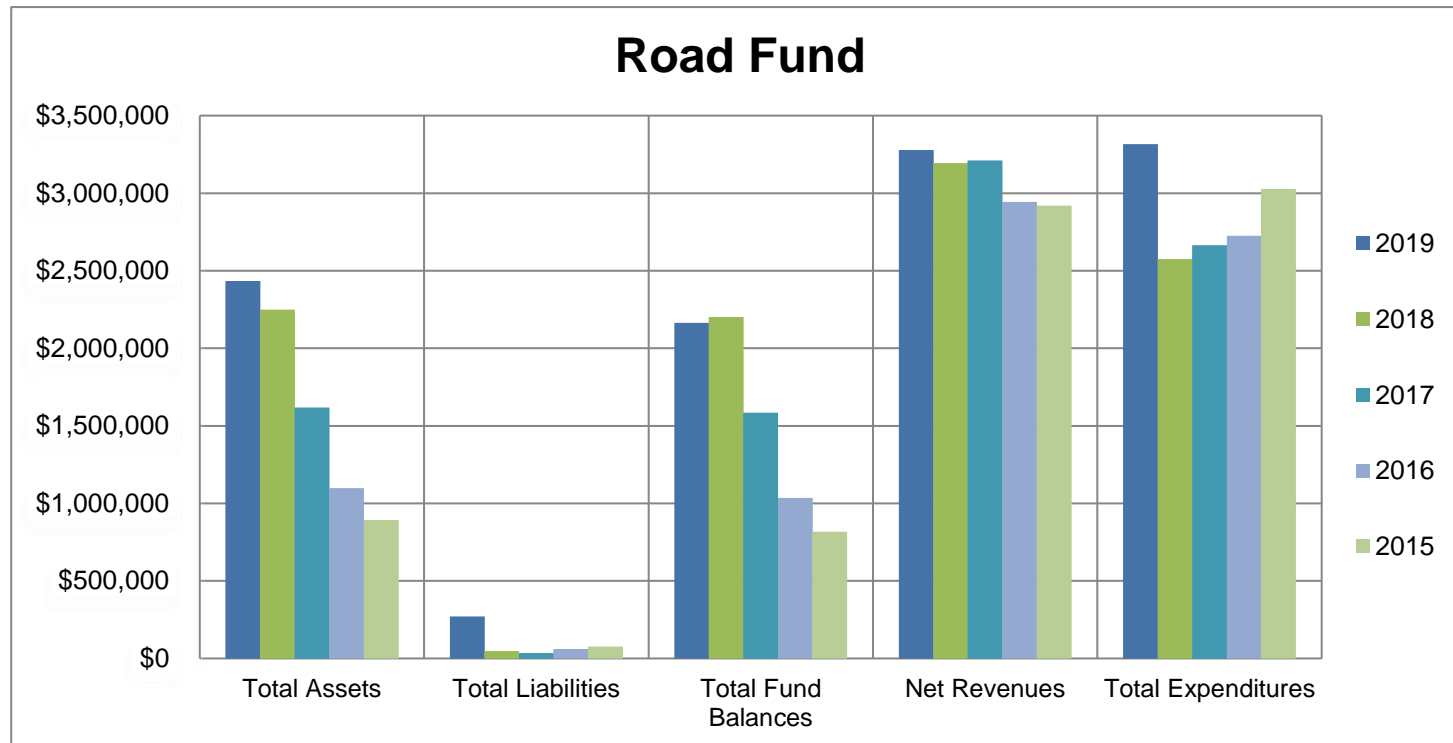
<u>General</u>	2019	2018	2017	2016	2015
Total Assets	\$ 6,570,295	\$ 5,497,240	\$ 3,394,702	\$ 2,841,286	\$ 4,036,554
Total Liabilities	209,848	133,316	198,563	156,981	396,905
Total Fund Balances	6,360,447	5,363,924	3,196,139	2,684,305	3,639,649
Net Revenues	10,061,488	9,634,360	8,737,678	8,429,988	8,536,955
Total Expenditures	9,064,965	7,941,575	8,399,844	7,910,257	7,482,438
Total Other Financing Sources/Uses		475,000	174,000	(1,475,075)	(1,059,182)



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

Schedule 3-2

<u>Road</u>	2019	2018	2017	2016	2015
Total Assets	\$ 2,432,767	\$ 2,248,377	\$ 1,616,773	\$ 1,096,327	\$ 892,283
Total Liabilities	269,163	47,275	33,413	60,979	75,559
Total Fund Balances	2,163,604	2,201,102	1,583,360	1,035,348	816,724
Net Revenues	3,276,923	3,192,007	3,209,752	2,943,664	2,918,291
Total Expenditures	3,314,421	2,574,265	2,661,740	2,725,040	3,026,495
Total Other Financing Sources/Uses					(13,940)



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	2019	2018	2017	2016	2015
Total Assets	\$ 32,641,849	\$ 13,973,710	\$ 11,651,217	\$ 9,186,071	\$ 8,488,615
Total Liabilities	1,796,475	1,735,385	2,341,812	1,988,847	5,271,624
Total Fund Balances	30,845,374	12,238,325	9,309,405	7,197,224	3,216,991
Net Revenues	15,851,399	15,607,952	14,087,585	13,688,076	13,919,151
Total Expenditures	10,771,382	8,166,913	8,001,267	10,166,701	14,188,701
Total Other Financing Sources/Uses	13,460,829	(4,512,119)	(3,961,762)	458,858	(1,088,576)

