

Pope County, Arkansas

Financial and Compliance Report

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Financial and Compliance Report

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE **ARKANSAS LEGISLATIVE AUDIT**

Financial and Compliance Report

Pope 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 Pope County, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated October 8, 2018. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

County Judge: Jim Ed Gibson
Treasurer: Larry Holman
Sheriff: Shane Jones
Tax Collector: Jennifer Haley
County Clerk: Laura McGuire
Circuit Clerk: Diane Willcutt
Assessor: Dana Baker
County Librarian: Shawn Pierce

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

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

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
October 8, 2018
LOCO05817

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

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 3,902,522	\$ 2,060,700	\$ 8,472,824
Accounts receivable	564,174	9,803	422,767
	<u>564,174</u>	<u>9,803</u>	<u>422,767</u>
TOTAL ASSETS	<u>\$ 4,466,696</u>	<u>\$ 2,070,503</u>	<u>\$ 8,895,591</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 56,263	\$ 15,346	\$ 33,839
Settlements pending			1,293,621
Total Liabilities	<u>56,263</u>	<u>15,346</u>	<u>1,327,460</u>
Fund Balances:			
Restricted		1,955,093	6,338,058
Assigned		100,064	1,230,073
Unassigned	4,410,433		
Total Fund Balances	<u>4,410,433</u>	<u>2,055,157</u>	<u>7,568,131</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,466,696</u>	<u>\$ 2,070,503</u>	<u>\$ 8,895,591</u>

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

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

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 727,673	\$ 2,615,792	\$ 332,205
Federal aid	458,581	58,529	71,525
Property taxes	1,264,332	2,016,835	1,061,013
Sales taxes	4,119,611	7,160	
Fines, forfeitures, and costs	702,582		303,040
Interest	39,059	24,657	81,828
Officers' fees	211,189		435,938
Jail fees	429,109		217,570
911 fees			482,321
Ambulance fees			3,020,810
Franchise fees	93,609		
Public safety 911 reimbursements			607,584
Sale of materials and equipment		67,620	
Treasurer's commission	240,909		51,577
Collector's commission	213,750		62,014
Taxes apportioned - Assessor's salary and expense	434,657		
Other	406,289	79,064	172,731
	<u>9,341,350</u>	<u>4,869,657</u>	<u>6,900,156</u>
TOTAL REVENUES			
Less: Treasurer's commission	87,580	53,658	66,620
	<u>9,253,770</u>	<u>4,815,999</u>	<u>6,833,536</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	2,543,807		284,127
Law enforcement	6,114,230		651,677
Highways and streets		5,050,588	20,000
Public safety	233,413		1,392,247
Health	45,588		2,555,986
Recreation and culture	25,260		1,493,186
Social services	144,289		799
Total Current	<u>9,106,587</u>	<u>5,050,588</u>	<u>6,398,022</u>
Debt Service:			
Lease principal		76,421	
	<u>9,106,587</u>	<u>5,127,009</u>	<u>6,398,022</u>
TOTAL EXPENDITURES			

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 147,183</u>	<u>\$ (311,010)</u>	<u>\$ 435,514</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	241,163		109,488
Transfers out	<u>(109,488)</u>		<u>(241,163)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>131,675</u>		<u>(131,675)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	278,858	(311,010)	303,839
FUND BALANCES - JANUARY 1	<u>4,131,575</u>	<u>2,366,167</u>	<u>7,264,292</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 4,410,433</u></u>	<u><u>\$ 2,055,157</u></u>	<u><u>\$ 7,568,131</u></u>

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

POPE COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 646,000	\$ 727,673	\$ 81,673	\$ 2,617,000	\$ 2,615,792	\$ (1,208)
Federal aid	428,100	458,581	30,481	84,384	58,529	(25,855)
Property taxes	1,175,640	1,264,332	88,692	1,823,466	2,016,835	193,369
Sales taxes	3,950,000	4,119,611	169,611	4,100	7,160	3,060
Fines, forfeitures, and costs	640,000	702,582	62,582			
Interest	20,500	39,059	18,559	10,700	24,657	13,957
Officers' fees	402,750	211,189	(191,561)			
Jail fees	393,000	429,109	36,109			
Franchise fees	90,000	93,609	3,609			
Sale of materials and equipment				79,000	67,620	(11,380)
Treasurer's commission	265,000	240,909	(24,091)			
Collector's commission	235,000	213,750	(21,250)			
Taxes apportioned - Assessor's salary and expense	500,000	434,657	(65,343)			
Other	336,150	406,289	70,139	114,700	79,064	(35,636)
TOTAL REVENUES	9,082,140	9,341,350	259,210	4,733,350	4,869,657	136,307
Less: Treasurer's commission		87,580	(87,580)		53,658	(53,658)
NET REVENUES	9,082,140	9,253,770	171,630	4,733,350	4,815,999	82,649
EXPENDITURES						
Current:						
General government	2,854,991	2,543,807	311,184			
Law enforcement	6,475,204	6,114,230	360,974			
Highways and streets				5,816,806	5,050,588	766,218
Public safety		233,413	(233,413)			
Health	52,930	45,588	7,342			
Recreation and culture	28,226	25,260	2,966			
Social services	148,975	144,289	4,686			
Total Current	9,560,326	9,106,587	453,739	5,816,806	5,050,588	766,218
Debt Service:						
Lease principal					76,421	(76,421)
TOTAL EXPENDITURES	9,560,326	9,106,587	453,739	5,816,806	5,127,009	689,797

POPE COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (478,186)	\$ 147,183	\$ 625,369	\$ (1,083,456)	\$ (311,010)	\$ 772,446
OTHER FINANCING SOURCES (USES)						
Transfers in	55,000	241,163	186,163			
Transfers out	(361,439)	(109,488)	251,951			
TOTAL OTHER FINANCING SOURCES (USES)	(306,439)	131,675	438,114			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(784,625)	278,858	1,063,483	(1,083,456)	(311,010)	772,446
FUND BALANCES - JANUARY 1	3,717,780	4,131,575	413,795	4,173,449	2,366,167	(1,807,282)
FUND BALANCES - DECEMBER 31	<u>\$ 2,933,155</u>	<u>\$ 4,410,433</u>	<u>\$ 1,477,278</u>	<u>\$ 3,089,993</u>	<u>\$ 2,055,157</u>	<u>\$ (1,034,836)</u>

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

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	Communicatio n Facility and Equipment	Emergency Communications (911)	Child Support Cost	Emergency Medical Services	Juvenile Fees	Circuit Clerk Recorder's Cost	Public Defender	Sheriff's Justice Administration	District Court Cost
ASSETS									
Cash and cash equivalents	\$ 43,417	\$ 1,375,547	\$ 4,019	\$ 3,952,866	\$ 26,473	\$ 223,328	\$ 4,070	\$ 26,519	\$ 44,578
Accounts receivable	30,609	27,005	28	328,397			622		
TOTAL ASSETS	<u>\$ 74,026</u>	<u>\$ 1,402,552</u>	<u>\$ 4,047</u>	<u>\$ 4,281,263</u>	<u>\$ 26,473</u>	<u>\$ 223,328</u>	<u>\$ 4,692</u>	<u>\$ 26,519</u>	<u>\$ 44,578</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 15,759	\$ 7,517		\$ 1,937	\$ 175	\$ 845			
Settlements pending									
Total Liabilities	<u>15,759</u>	<u>7,517</u>		<u>1,937</u>	<u>175</u>	<u>845</u>			
Fund Balances:									
Restricted	58,267	167,714	\$ 4,047	4,279,326	26,298	222,483	\$ 1,940	\$ 26,519	\$ 44,578
Assigned		1,227,321					2,752		
Total Fund Balances	<u>58,267</u>	<u>1,395,035</u>	<u>4,047</u>	<u>4,279,326</u>	<u>26,298</u>	<u>222,483</u>	<u>4,692</u>	<u>26,519</u>	<u>44,578</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 74,026</u>	<u>\$ 1,402,552</u>	<u>\$ 4,047</u>	<u>\$ 4,281,263</u>	<u>\$ 26,473</u>	<u>\$ 223,328</u>	<u>\$ 4,692</u>	<u>\$ 26,519</u>	<u>\$ 44,578</u>

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

Schedule 1

SPECIAL REVENUE FUNDS									
	Emergency Rescue	Treasurer's Automation	County Clerk's Cost	Collector's Automation	District Court Automation	County Library	Assessor's Automation	Grants	Jail Operation and Maintenance
ASSETS									
Cash and cash equivalents	\$ 8,351	\$ 65,467	\$ 22,185	\$ 467,582	\$ 163,088	\$ 486,496	\$ 70,426	\$ 53,994	\$ 79,868
Accounts receivable					1,308	1,364		15,202	17,722
TOTAL ASSETS	\$ 8,351	\$ 65,467	\$ 22,185	\$ 467,582	\$ 164,396	\$ 487,860	\$ 70,426	\$ 69,196	\$ 97,590
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 182	\$ 1,668		\$ 545		\$ 3,860			\$ 1,351
Settlements pending									
Total Liabilities	182	1,668		545		3,860			1,351
Fund Balances:									
Restricted	8,169	63,799	\$ 22,185	467,037	\$ 164,396	484,000	\$ 70,426	\$ 69,196	96,239
Assigned									
Total Fund Balances	8,169	63,799	22,185	467,037	164,396	484,000	70,426	69,196	96,239
TOTAL LIABILITIES AND FUND BALANCES	\$ 8,351	\$ 65,467	\$ 22,185	\$ 467,582	\$ 164,396	\$ 487,860	\$ 70,426	\$ 69,196	\$ 97,590

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

Schedule 1

SPECIAL REVENUE FUNDS						
	Drug Court Treatment	Drug Control	Burn Ban Fines	Circuit Clerk Commissioner's Fee	Animal Control and Welfare	Assessor's Late Assessment Fee
ASSETS						
Cash and cash equivalents	\$ 25,263	\$ 11,538	\$ 100	\$ 10,518	\$ 12,143	\$ 1,367
Accounts receivable	510					
TOTAL ASSETS	\$ 25,773	\$ 11,538	\$ 100	\$ 10,518	\$ 12,143	\$ 1,367
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						
Settlements pending						
Total Liabilities						
Fund Balances:						
Restricted	\$ 25,773	\$ 11,538	\$ 100	\$ 10,518	\$ 12,143	\$ 1,367
Assigned						
Total Fund Balances	25,773	11,538	100	10,518	12,143	1,367
TOTAL LIABILITIES AND FUND BALANCES	\$ 25,773	\$ 11,538	\$ 100	\$ 10,518	\$ 12,143	\$ 1,367

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

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	\$ 548,250	\$ 17,106	\$ 305,421	\$ 67,758	\$ 355,086	\$ 8,472,824
Accounts receivable						422,767
TOTAL ASSETS	\$ 548,250	\$ 17,106	\$ 305,421	\$ 67,758	\$ 355,086	\$ 8,895,591
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 33,839
Settlements pending	\$ 548,250	\$ 17,106	\$ 305,421	\$ 67,758	\$ 355,086	1,293,621
Total Liabilities	548,250	17,106	305,421	67,758	355,086	1,327,460
Fund Balances:						
Restricted						6,338,058
Assigned						1,230,073
Total Fund Balances						7,568,131
TOTAL LIABILITIES AND FUND BALANCES	\$ 548,250	\$ 17,106	\$ 305,421	\$ 67,758	\$ 355,086	\$ 8,895,591

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

Schedule 2

	SPECIAL REVENUE FUNDS								
	Communication Facility and Equipment	Emergency Communications (911)	Child Support Cost	Emergency Medical Services	Juvenile Fees	Circuit Clerk Recorder's Cost	Public Defender	Sheriff's Justice Administration	District Court Cost
REVENUES									
State aid		\$ 65,000		\$ 24,260			\$ 3,397		
Federal aid		30,041							
Property taxes									
Fines, forfeitures, and costs					\$ 2,095		28,650	\$ 23,664	\$ 17,111
Interest	\$ 1,127	15,455	\$ 77	45,425	294	\$ 2,633	41	700	574
Officers' fees	5,359		9,793		3,290	372,680	4,507		
Jail fees	204,226								
911 fees		482,321							
Ambulance fees				3,020,810					
Public safety 911 reimbursements		607,584							
Treasurer's commission									
Collector's commission									
Other	604	26,063		43,793		12			3
TOTAL REVENUES	211,316	1,226,464	9,870	3,134,288	5,679	375,325	36,595	24,364	17,688
Less: Treasurer's commission	2,208	6,564	112	34,820	65	4,257	330	276	201
NET REVENUES	209,108	1,219,900	9,758	3,099,468	5,614	371,068	36,265	24,088	17,487
EXPENDITURES									
Current:									
General government			8,110			83,615			
Law enforcement	258,900				415		35,383	48,793	23,555
Highways and streets									
Public safety		1,383,636							
Health				2,555,986					
Recreation and culture									
Social services									
TOTAL EXPENDITURES	258,900	1,383,636	8,110	2,555,986	415	83,615	35,383	48,793	23,555
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(49,792)	(163,736)	1,648	543,482	5,199	287,453	882	(24,705)	(6,068)
OTHER FINANCING SOURCES (USES)									
Transfers in		109,488							
Transfers out						(232,237)			
TOTAL OTHER FINANCING SOURCES (USES)		109,488				(232,237)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(49,792)	(54,248)	1,648	543,482	5,199	55,216	882	(24,705)	(6,068)
FUND BALANCES - JANUARY 1	108,059	1,449,283	2,399	3,735,844	21,099	167,267	3,810	51,224	50,646
FUND BALANCES - DECEMBER 31	<u>\$ 58,267</u>	<u>\$ 1,395,035</u>	<u>\$ 4,047</u>	<u>\$ 4,279,326</u>	<u>\$ 26,298</u>	<u>\$ 222,483</u>	<u>\$ 4,692</u>	<u>\$ 26,519</u>	<u>\$ 44,578</u>

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

Schedule 2

SPECIAL REVENUE FUNDS

	Emergency Rescue	Treasurer's Automation	County Clerk's Cost	Collector's Automation	District Court Automation	County Library	Assessor's Automation	Grants	Jail Operation and Maintenance
REVENUES									
State aid	\$ 3,927					\$ 205,768	\$ 13,653	\$ 16,200	
Federal aid						289		41,195	
Property taxes						1,059,634			
Fines, forfeitures, and costs					\$ 16,460				\$ 214,300
Interest	107	\$ 554	\$ 287	\$ 5,423	1,930	4,398	875	50	1,299
Officers' fees			33,256						
Jail fees									13,344
911 fees									
Ambulance fees									
Public safety 911 reimbursements									
Treasurer's commission		51,577							
Collector's commission				62,014					
Other				4		92,626	6	9,555	65
TOTAL REVENUES	4,034	52,131	33,543	67,441	18,390	1,362,715	14,534	67,000	229,008
Less: Treasurer's commission	46		381	62	204	14,331	165		2,557
NET REVENUES	3,988	52,131	33,162	67,379	18,186	1,348,384	14,369	67,000	226,451
EXPENDITURES									
Current:									
General government		38,397	16,583	95,475			23,563	18,384	
Law enforcement					1,270			45,628	215,953
Highways and streets								20,000	
Public safety	4,501							4,110	
Health									
Recreation and culture						1,445,627		47,559	
Social services								799	
TOTAL EXPENDITURES	4,501	38,397	16,583	95,475	1,270	1,445,627	23,563	136,480	215,953
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(513)	13,734	16,579	(28,096)	16,916	(97,243)	(9,194)	(69,480)	10,498
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out			(8,926)						
TOTAL OTHER FINANCING SOURCES (USES)			(8,926)						
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(513)	13,734	7,653	(28,096)	16,916	(97,243)	(9,194)	(69,480)	10,498
FUND BALANCES - JANUARY 1	8,682	50,065	14,532	495,133	147,480	581,243	79,620	138,676	85,741
FUND BALANCES - DECEMBER 31	\$ 8,169	\$ 63,799	\$ 22,185	\$ 467,037	\$ 164,396	\$ 484,000	\$ 70,426	\$ 69,196	\$ 96,239

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

Schedule 2

	SPECIAL REVENUE FUNDS						
	Drug Court Treatment	Drug Control	Burn Ban Fines	Circuit Clerk Commissioner's Fee	Animal Control and Welfare	Assessor's Late Assessment Fee	Totals
REVENUES							
State aid							\$ 332,205
Federal aid							71,525
Property taxes						\$ 1,379	1,061,013
Fines, forfeitures, and costs			\$ 100		\$ 660		303,040
Interest	\$ 284	\$ 20	1	\$ 124	146	4	81,828
Officers' fees	5,825			1,228			435,938
Jail fees							217,570
911 fees							482,321
Ambulance fees							3,020,810
Public safety 911 reimbursements							607,584
Treasurer's commission							51,577
Collector's commission							62,014
Other							172,731
TOTAL REVENUES	6,109	20	101	1,352	806	1,383	6,900,156
Less: Treasurer's commission			1	15	9	16	66,620
NET REVENUES	6,109	20	100	1,337	797	1,367	6,833,536
EXPENDITURES							
Current:							
General government							284,127
Law enforcement	2,074	19,706					651,677
Highways and streets							20,000
Public safety							1,392,247
Health							2,555,986
Recreation and culture							1,493,186
Social services							799
TOTAL EXPENDITURES	2,074	19,706					6,398,022
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,035	(19,686)	100	1,337	797	1,367	435,514
OTHER FINANCING SOURCES (USES)							
Transfers in							109,488
Transfers out							(241,163)
TOTAL OTHER FINANCING SOURCES (USES)							(131,675)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	4,035	(19,686)	100	1,337	797	1,367	303,839
FUND BALANCES - JANUARY 1	21,738	31,224		9,181	11,346		7,264,292
FUND BALANCES - DECEMBER 31	\$ 25,773	\$ 11,538	\$ 100	\$ 10,518	\$ 12,143	\$ 1,367	\$ 7,568,131

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communications equipment and repair and to train operations staff.
Emergency Communications (911)	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Emergency Medical Services	Ark. Code Ann. §§ 20-13-303 - 20-13-305 and Pope County Ordinance no. 79-O-39 (December 26, 1979) established fund to receive fees to provide for ambulance services to the county.
Juvenile Fees	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 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.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents.
Sheriff's Justice Administration	Ark. Code Ann. § 16-10-307 established fund to receive fees to be used to defray part of the expenses of administering justice.
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes district court filing fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
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.
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.
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.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
Assessor's Automation	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Ark. Const. amend. 79.
Grants	Pope County Ordinance no. 2009-1-44 (April 16, 2009) established fund to receive and monitor disbursement of state and federal grants.
Jail Operation and Maintenance	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
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.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Burn Ban Fines	Pope County Ordinance no. 96-0-14 (March 7, 1996) allows the County to collect fines, not to exceed \$500, for citizens that willfully burn under a burn ban. Fines collected are appropriated back to the County Firefighter's Association.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as Commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expenses of the office of Circuit Clerk.
Animal Control and Welfare	Pope County Ordinance no. 2015-0-62 (November 5, 2015) established fund to receive fines collected pursuant to Ordinance no. 2015-0-50 (October 6, 2015). The funds are to be used to pay expenses related to the collection of animals who fall under the jurisdiction of Pope County Ordinance no. 2015-0-50 (October 6, 2015).
Assessor's Late Assessment Fee	Ark. Code Ann § 26-26-201 amended by Act 161 of 2017 to help pay for the expense of assessing property, subject to appropriation by the Quorum Court.

Treasurer's accounts consist primarily of property taxes not yet distributed to various taxing units.
 Collector's accounts consist primarily of property taxes not yet distributed to the various taxing units and change funds.
 Sheriff's accounts consist primarily of fees settlement, bond, evidence, and inmate trust money.
 County Clerk's accounts consist primarily of trust money and fee money to be settled with Treasurer.
 Circuit Clerk's accounts consist of trust money and fee money to be settled with the Treasurer.

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

1. A. Basis of Presentation - Regulatory Fund Accounting

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

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

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

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

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

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

B. Basis of Accounting

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available except for Treasurer's and Collector's commission and Taxes apportioned – Assessor's salary and expense which are recognized when earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. 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.

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.

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

1. (Continued)

C. Assets, Liabilities, and Fund Balances (Continued)

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, officer's fees, and property taxes that have not been transferred to the appropriate entities and trust accounts awaiting final court disposition.

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.

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.

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

2. Details of Fund Balance Classifications

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 875,041
Law enforcement			495,654
Highways and streets		\$ 1,955,093	
Public safety			175,983
Health			4,279,326
Recreation and culture			512,054
Total Restricted		<u>1,955,093</u>	<u>6,338,058</u>
Assigned to:			
Law enforcement			2,752
Highways and streets		100,064	
Public safety			1,227,321
Total Assigned		<u>100,064</u>	<u>1,230,073</u>
Unassigned	<u>\$ 4,410,433</u>		
Totals	<u>\$ 4,410,433</u>	<u>\$ 2,055,157</u>	<u>\$ 7,568,131</u>

3. Commitments

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

	December 31, 2017
Noncancellable lease	\$ 64,664
Reappraisal contract	<u>1,122,960</u>
Total Commitments	<u>\$ 1,187,624</u>

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.

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

3. Commitments (Continued)

Noncancellable Lease

The County entered into a noncancellable lease agreement for four motor graders on December 29, 2015. Terms of the lease are monthly rental payments of \$5,879 for 36 months. At the end of the lease term, the County will return the equipment. The County is obligated for the following amounts for the next year:

<u>Year</u>	<u>December 31, 2017</u>
2018	<u>64,664</u>

Rental expense for 2017 was \$76,421.

Reappraisal Contract

The County entered into a contract dated December 5, 2016, with Total Assessment Solutions Corporation for reappraisal services. The terms of the contract require \$1,403,700 to be paid in monthly installments of \$23,395 for a period of five years. The County is obligated for the following amounts for the next four years:

<u>Year</u>	<u>December 31, 2017</u>
2018	\$ 280,740
2019	280,740
2020	280,740
2021	<u>280,740</u>
Total	<u>\$ 1,122,960</u>

Reappraisal expense for 2017 was \$280,740.

4. Interfund Transfers

The County transferred \$109,488 from the County General Fund to Other funds in Aggregate (Emergency Communications) to supplement operations. Also, Other Funds in Aggregate (Circuit Clerk Recorder's Cost and County Clerk's Cost) transferred \$241,163 of unrestricted fees to the General Fund pursuant to Ark. Code Ann § 21-6-306, -413.

5. Jointly Governed Organizations

West River Valley Regional Solid Waste Management District

Conway, Crawford, Franklin, Johnson, Logan, Perry, Pope, Scott, and Yell Counties, and the Cities of Van Buren, Ozark, Atkins, Booneville, Alma, Clarksville, Russellville, Paris, Charleston, Morrilton, Waldron, and Dardanelle entered into an agreement in 1991 to form West River Valley Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-708. The County did not contribute any funding for the District during 2017. Separate financial statements may be obtained at 24087 Highway 164, Clarksville, AR 72830.

Fifth Judicial District Drug Task Force

The Prosecuting Attorney of the Fifth Judicial District, the Sheriffs' Departments of Pope, Johnson, and Franklin Counties and Police Departments of Russellville, Clarksville, and Ozark entered into an agreement to establish the Fifth Judicial Drug Task Force. Funding was provided through a Drug Law Enforcement Program grant applied for by the Prosecuting Attorney of the Fifth Judicial District. Financial statements of the Fifth Judicial Drug Task Force are not available. The County did not contribute any funding the Fifth Judicial Drug Task Force during 2017.

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

6: 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 \$1,192,606.

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 \$11,792,778.

7: Capital Assets

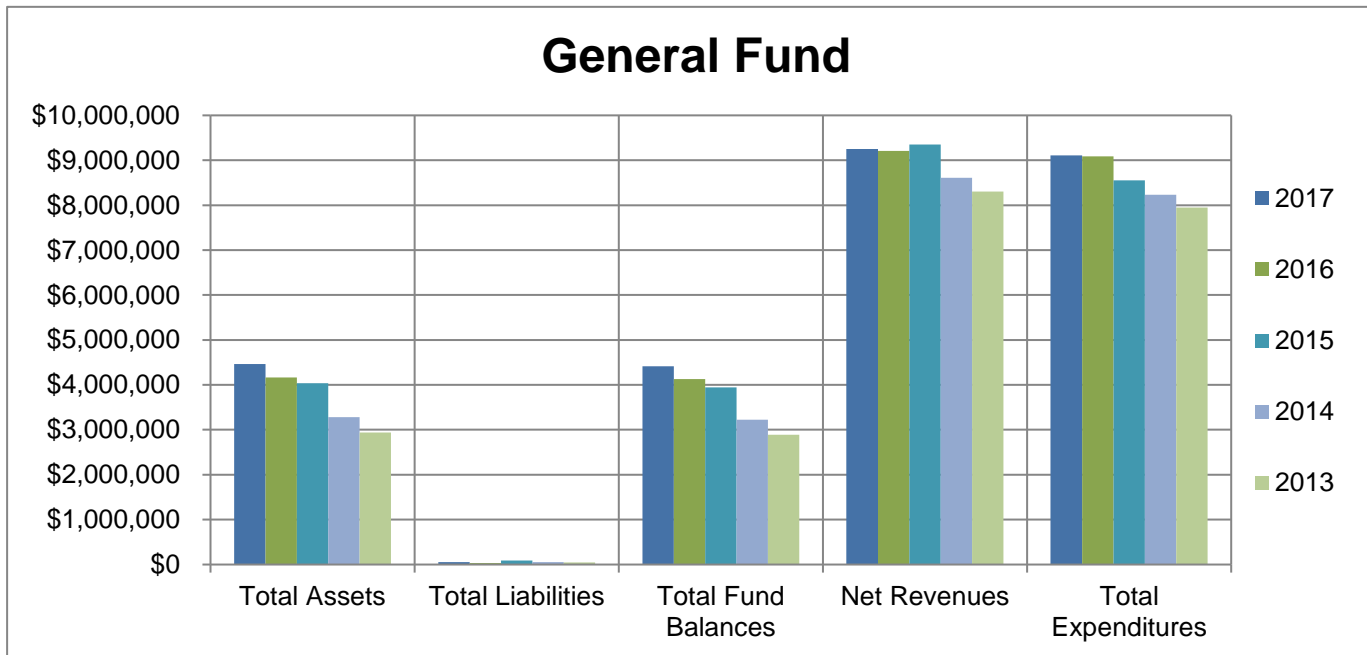
The County's capital asset records are summarized below:

		December 31, 2017
A.	General Fixed Assets	
	Land and buildings	\$ 14,033,023
	Equipment	10,472,784
	Infrastructure	383,907,795
		\$ 408,413,602
B.	Fixed Assets - Library	
	Land and buildings	\$ 130,493
	Equipment	219,791
		\$ 350,284

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

Schedule 3-1

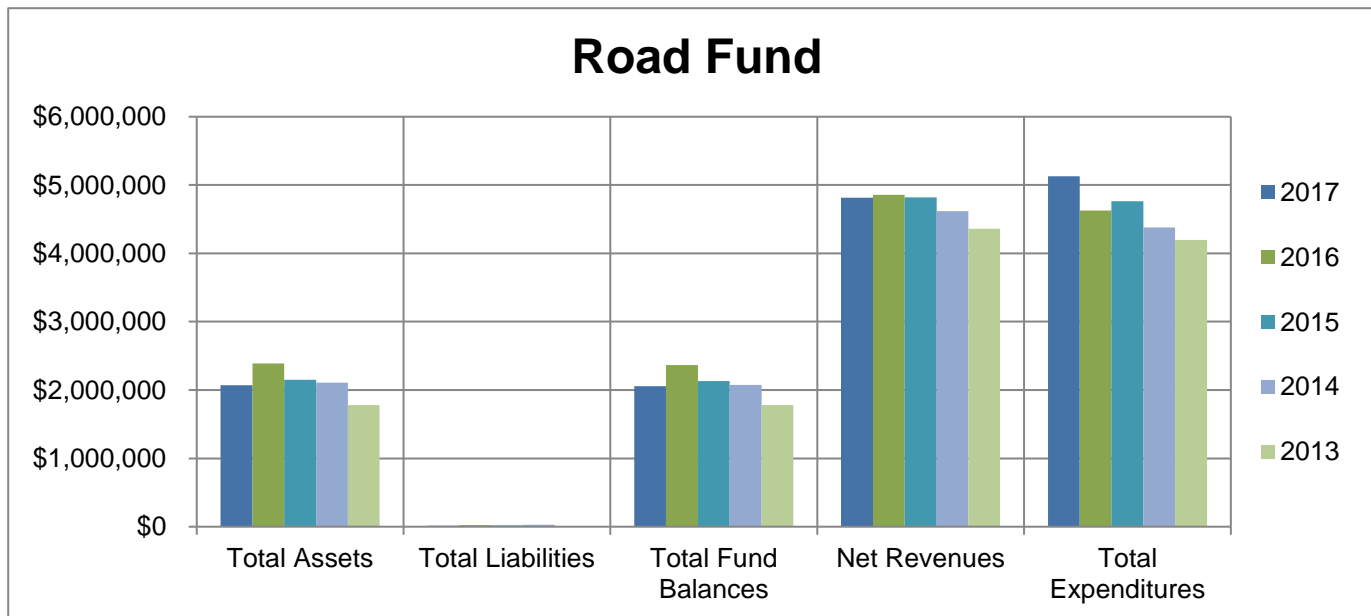
<u>General</u>	2017	2016	2015	2014	2013
Total Assets	\$ 4,466,696	\$ 4,164,004	\$ 4,036,636	\$ 3,278,992	\$ 2,939,978
Total Liabilities	56,263	32,429	89,521	51,903	48,665
Total Fund Balances	4,410,433	4,131,575	3,947,115	3,227,089	2,891,313
Net Revenues	9,253,770	9,205,496	9,353,463	8,612,488	8,303,039
Total Expenditures	9,106,587	9,089,076	8,555,369	8,229,945	7,945,573
Total Other Financing Sources/Uses	131,675	68,040	(78,068)	(86,334)	(279,674)



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

Schedule 3-2

<u>Road</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 2,070,503	\$ 2,388,522	\$ 2,151,931	\$ 2,106,376	\$ 1,781,015
Total Liabilities	15,346	22,355	18,986	30,311	2,326
Total Fund Balances	2,055,157	2,366,167	2,132,945	2,076,065	1,778,689
Net Revenues	4,815,999	4,858,923	4,819,025	4,617,696	4,361,987
Total Expenditures	5,127,009	4,625,701	4,762,145	4,380,320	4,197,179
Total Other Financing Sources/Uses				60,000	40,262



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 8,895,591	\$ 8,531,131	\$ 7,300,909	\$ 6,461,227	\$ 5,909,499
Total Liabilities	1,327,460	1,266,839	1,374,294	1,249,925	1,151,248
Total Fund Balances	7,568,131	7,264,292	5,926,615	5,211,302	4,758,251
Net Revenues	6,833,536	7,486,143	6,887,264	6,892,946	6,216,997
Total Expenditures	6,398,022	6,080,426	6,250,019	6,426,662	6,644,277
Total Other Financing Sources/Uses	(131,675)	(68,040)	78,068	26,334	239,412

