

**Baxter County, Arkansas**

**Financial and Compliance Report**

**December 31, 2018**

LEGISLATIVE JOINT AUDITING COMMITTEE

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Financial and Compliance Report

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# Arkansas

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**Sen. Eddie Cheatham**  
Senate Vice Chair



**Rep. Richard Womack**  
House Chair  
**Rep. DeAnn Vaught**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Baxter 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 Baxter County, Arkansas, as of and for the year ended December 31, 2018, and have issued our report thereon dated December 17, 2019. 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 2018:

County Judge: Mickey Pendergrass  
Treasurer: Jenay Mize  
Sheriff: John Montgomery  
Tax Collector: Teresa Smith  
County and Circuit Clerk: Canda Reese  
Assessor: Jayme Nicholson  
County Librarian: Kim Crow-Sheaner  
Airport Manager: Kathy Frederick

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  
December 17, 2019  
LOCO00318

BAXTER COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2018  
(UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,097,052	\$ 1,520,747	\$ 6,663,756
Accounts receivable	518,802	35,249	60,851
<b>TOTAL ASSETS</b>	<b>\$ 2,615,854</b>	<b>\$ 1,555,996</b>	<b>\$ 6,724,607</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 119,233	\$ 99,901	\$ 230,596
Settlements pending			636,670
<b>Total Liabilities</b>	<b>119,233</b>	<b>99,901</b>	<b>867,266</b>
Fund Balances:			
Restricted		1,456,095	5,796,400
Committed	26,493		
Assigned	1,077,333		60,941
Unassigned	1,392,795		
<b>Total Fund Balances</b>	<b>2,496,621</b>	<b>1,456,095</b>	<b>5,857,341</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,615,854</b>	<b>\$ 1,555,996</b>	<b>\$ 6,724,607</b>

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

BAXTER COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 732,960	\$ 2,165,497	\$ 214,254
Federal aid	26,098	331,550	217,402
Property taxes	624,259	1,267,456	605,318
Sales taxes	4,027,545		3,578,949
Fines, forfeitures, and costs	457,352		142,711
Interest	37,619	32,102	64,238
Officers' fees	84,171		379,569
Donations			287,465
911 fees			390,465
Airport sales and rental income			115,563
Jail fees	374,492		58,117
Treasurer's commission	140,358		32,257
Collector's commission	337,752		116,060
Taxes apportioned - Assessor's salary and expense	592,143		
Other	525,886	31,808	109,249
TOTAL REVENUES	7,960,635	3,828,413	6,311,617
Less: Treasurer's commission	65,711	39,942	20,177
NET REVENUES	7,894,924	3,788,471	6,291,440
EXPENDITURES			
Current:			
General government	2,744,453		475,779
Law enforcement	4,582,551		859,685
Highways and streets	46,716	4,017,932	
Public safety	567,705		614,201
Health	37,525		
Recreation and culture	12,576		1,069,344
Social services	77,468		
Airport	81,593		297,076
Total Current	8,150,587	4,017,932	3,316,085
Debt Service:			
Bond principal			31,023
Bond interest and other charges			13,406
Lease principal			70,001
Lease interest			1,492
TOTAL EXPENDITURES	8,150,587	4,017,932	3,432,007

BAXTER COUNTY, ARKANSAS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2018  
 (UNAUDITED)

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (255,663)	\$ (229,461)	\$ 2,859,433
OTHER FINANCING SOURCES (USES)			
Transfers in			44,429
Transfers out			(44,429)
Proceeds from notes payable			197,449
TOTAL OTHER FINANCING SOURCES (USES)			197,449
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(255,663)	(229,461)	3,056,882
FUND BALANCES - JANUARY 1	2,752,284	1,685,556	2,800,459
FUND BALANCES - DECEMBER 31	\$ 2,496,621	\$ 1,456,095	\$ 5,857,341

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

BAXTER COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 648,500	\$ 732,960	\$ 84,460	\$ 1,918,000	\$ 2,165,497	\$ 247,497
Federal aid	30,000	26,098	(3,902)	306,000	331,550	25,550
Property taxes	563,200	624,259	61,059	1,138,500	1,267,456	128,956
Sales taxes	3,900,000	4,027,545	127,545			
Fines, forfeitures, and costs	443,000	457,352	14,352			
Interest	23,630	37,619	13,989	16,000	32,102	16,102
Officers' fees	95,000	84,171	(10,829)			
Jail fees	160,000	374,492	214,492			
Treasurer's commission		140,358	140,358			
Collector's commission	340,000	337,752	(2,248)			
Taxes apportioned - Assessor's salary and expense	531,000	592,143	61,143			
Other	587,032	525,886	(61,146)	70,356	31,808	(38,548)
<b>TOTAL REVENUES</b>	<b>7,321,362</b>	<b>7,960,635</b>	<b>639,273</b>	<b>3,448,856</b>	<b>3,828,413</b>	<b>379,557</b>
Less: Treasurer's commission		65,711	(65,711)		39,942	(39,942)
<b>NET REVENUES</b>	<b>7,321,362</b>	<b>7,894,924</b>	<b>573,562</b>	<b>3,448,856</b>	<b>3,788,471</b>	<b>339,615</b>
EXPENDITURES						
Current:						
General government	3,520,934	2,744,453	776,481			
Law enforcement	4,505,986	4,582,551	(76,565)			
Highways and streets		46,716	(46,716)	4,281,899	4,017,932	263,967
Public safety	554,546	567,705	(13,159)			
Sanitation	15,584		15,584			
Health	21,500	37,525	(16,025)			
Recreation and culture	3,500	12,576	(9,076)			
Social services	97,022	77,468	19,554			
Airport	94,110	81,593	12,517			
<b>TOTAL EXPENDITURES</b>	<b>8,813,182</b>	<b>8,150,587</b>	<b>662,595</b>	<b>4,281,899</b>	<b>4,017,932</b>	<b>263,967</b>

BAXTER COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2018  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,491,820)	\$ (255,663)	\$ 1,236,157	\$ (833,043)	\$ (229,461)	\$ 603,582
OTHER FINANCING SOURCES (USES)						
Transfers in	166,000		(166,000)			
Transfers out	(43,428)		43,428			
TOTAL OTHER FINANCING SOURCES (USES)	122,572		(122,572)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,369,248)	(255,663)	1,113,585	(833,043)	(229,461)	603,582
FUND BALANCES - JANUARY 1	2,408,256	2,752,284	344,028	1,380,968	1,685,556	304,588
FUND BALANCES - DECEMBER 31	\$ 1,039,008	\$ 2,496,621	\$ 1,457,613	\$ 547,925	\$ 1,456,095	\$ 908,170

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



BAXTER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS									
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	Library Board	County Clerk's Cost	Child Support Cost	Breathalyzer
ASSETS									
Cash and cash equivalents	\$ 136,998	\$ 825,093	\$ 201,282	\$ 40,258	\$ 135,082	\$ 683,480	\$ 1,563	\$ 57,124	\$ 6,904
Accounts receivable			1,798		26,559	7,998	52	224	150
<b>TOTAL ASSETS</b>	<b>\$ 136,998</b>	<b>\$ 825,093</b>	<b>\$ 203,080</b>	<b>\$ 40,258</b>	<b>\$ 161,641</b>	<b>\$ 691,478</b>	<b>\$ 1,615</b>	<b>\$ 57,348</b>	<b>\$ 7,054</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable		\$ 5,762			\$ 940	\$ 34,587			
Settlements pending									
<b>Total Liabilities</b>		<b>5,762</b>			<b>940</b>	<b>34,587</b>			
Fund Balances:									
Restricted	\$ 136,998	819,331	\$ 203,080	\$ 40,258	160,701	656,891	\$ 1,615	\$ 57,348	\$ 7,054
Assigned									
<b>Total Fund Balances</b>	<b>136,998</b>	<b>819,331</b>	<b>203,080</b>	<b>40,258</b>	<b>160,701</b>	<b>656,891</b>	<b>1,615</b>	<b>57,348</b>	<b>7,054</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 136,998</b>	<b>\$ 825,093</b>	<b>\$ 203,080</b>	<b>\$ 40,258</b>	<b>\$ 161,641</b>	<b>\$ 691,478</b>	<b>\$ 1,615</b>	<b>\$ 57,348</b>	<b>\$ 7,054</b>

BAXTER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS								
	Special Jail Fee	County Detention Facility	Boating Safety	Emergency 911	Public Defender	Drug Court Program	Juvenile Probation Fee	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee
ASSETS									
Cash and cash equivalents	\$ 36,231	\$ 8,892	\$ 67,175	\$ 129,967	\$ 30,047	\$ 8,895	\$ 40,387	\$ 23,204	\$ 2,796
Accounts receivable	3,825	485		17,620			1,553	200	
<b>TOTAL ASSETS</b>	<b>\$ 40,056</b>	<b>\$ 9,377</b>	<b>\$ 67,175</b>	<b>\$ 147,587</b>	<b>\$ 30,047</b>	<b>\$ 8,895</b>	<b>\$ 41,940</b>	<b>\$ 23,404</b>	<b>\$ 2,796</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 6,362			\$ 54	\$ 147				
Settlements pending									
<b>Total Liabilities</b>	<b>6,362</b>			<b>54</b>	<b>147</b>				
Fund Balances:									
Restricted	33,694	\$ 9,377	\$ 67,175	147,533	29,900	\$ 8,895	\$ 41,940	\$ 23,404	\$ 2,796
Assigned									
<b>Total Fund Balances</b>	<b>33,694</b>	<b>9,377</b>	<b>67,175</b>	<b>147,533</b>	<b>29,900</b>	<b>8,895</b>	<b>41,940</b>	<b>23,404</b>	<b>2,796</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 40,056</b>	<b>\$ 9,377</b>	<b>\$ 67,175</b>	<b>\$ 147,587</b>	<b>\$ 30,047</b>	<b>\$ 8,895</b>	<b>\$ 41,940</b>	<b>\$ 23,404</b>	<b>\$ 2,796</b>

BAXTER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS			DEBT SERVICE FUND
	Sheriff's Projects	Juvenile Grant	Office of Emergency Services Grants	Airport	Communication Facility and Equipment	Jail Construction	Health Unit Building	Airport Revenue Bond
ASSETS								
Cash and cash equivalents	\$ 14,379	\$ 54	\$ 8,021	\$ 165,961	\$ 30,353	\$ 3,286,999	\$ 60,941	\$ 25,000
Accounts receivable	120			267				
<b>TOTAL ASSETS</b>	<b><u>\$ 14,499</u></b>	<b><u>\$ 54</u></b>	<b><u>\$ 8,021</u></b>	<b><u>\$ 166,228</u></b>	<b><u>\$ 30,353</u></b>	<b><u>\$ 3,286,999</u></b>	<b><u>\$ 60,941</u></b>	<b><u>\$ 25,000</u></b>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 2,077		\$ 180,667		
Settlements pending								
Total Liabilities				<u>2,077</u>		<u>180,667</u>		
Fund Balances:								
Restricted	\$ 14,499	\$ 54	\$ 8,021	164,151	\$ 30,353	3,106,332		\$ 25,000
Assigned							\$ 60,941	
Total Fund Balances	<u>14,499</u>	<u>54</u>	<u>8,021</u>	<u>164,151</u>	<u>30,353</u>	<u>3,106,332</u>	<u>60,941</u>	<u>25,000</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 14,499</u></b>	<b><u>\$ 54</u></b>	<b><u>\$ 8,021</u></b>	<b><u>\$ 166,228</u></b>	<b><u>\$ 30,353</u></b>	<b><u>\$ 3,286,999</u></b>	<b><u>\$ 60,941</u></b>	<b><u>\$ 25,000</u></b>

BAXTER COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 1

AGENCY FUNDS						
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Juvenile Probation	Totals
ASSETS						
Cash and cash equivalents	\$ 179,091	\$ 184,238	\$ 49,718	\$ 221,720	\$ 1,903	\$ 6,663,756
Accounts receivable						60,851
TOTAL ASSETS	\$ 179,091	\$ 184,238	\$ 49,718	\$ 221,720	\$ 1,903	\$ 6,724,607
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 230,596
Settlements pending	\$ 179,091	\$ 184,238	\$ 49,718	\$ 221,720	\$ 1,903	636,670
Total Liabilities	179,091	184,238	49,718	221,720	1,903	867,266
Fund Balances:						
Restricted						5,796,400
Assigned						60,941
Total Fund Balances						5,857,341
TOTAL LIABILITIES AND FUND BALANCES	\$ 179,091	\$ 184,238	\$ 49,718	\$ 221,720	\$ 1,903	\$ 6,724,607

BAXTER 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, 2018  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Recorder's Cost	Library Board	County Clerk's Cost	Child Support Cost	Breathalyzer
REVENUES									
State aid				\$ 15,787		\$ 187,484			
Federal aid									
Property taxes						603,603			
Sales taxes									
Fines, forfeitures, and costs			\$ 19,567						
Interest	\$ 1,979	\$ 13,797	3,661	771	\$ 3,050	1,899	\$ 25	\$ 1,081	\$ 123
Officers' fees					336,067		688	7,051	
Donations						287,465			
911 fees									
Airport sales and rental income									
Jail fees									
Treasurer's commission	32,257								
Collector's commission		116,060							
Other		443	164	1,600	1,964	88,216	6	78	1,670
<b>TOTAL REVENUES</b>	<b>34,236</b>	<b>130,300</b>	<b>23,392</b>	<b>18,158</b>	<b>341,081</b>	<b>1,168,667</b>	<b>719</b>	<b>8,210</b>	<b>1,793</b>
Less: Treasurer's commission		276	453	331	3,650	7,448	14	161	34
<b>NET REVENUES</b>	<b>34,236</b>	<b>130,024</b>	<b>22,939</b>	<b>17,827</b>	<b>337,431</b>	<b>1,161,219</b>	<b>705</b>	<b>8,049</b>	<b>1,759</b>
EXPENDITURES									
Current:									
General government	7,604	67,704		3,162	393,742			3,567	
Law enforcement			296						395
Public safety									
Recreation and culture						1,069,344			
Airport									
<b>Total Current</b>	<b>7,604</b>	<b>67,704</b>	<b>296</b>	<b>3,162</b>	<b>393,742</b>	<b>1,069,344</b>		<b>3,567</b>	<b>395</b>
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal									
Lease interest									
<b>TOTAL EXPENDITURES</b>	<b>7,604</b>	<b>67,704</b>	<b>296</b>	<b>3,162</b>	<b>393,742</b>	<b>1,069,344</b>		<b>3,567</b>	<b>395</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>26,632</b>	<b>62,320</b>	<b>22,643</b>	<b>14,665</b>	<b>(56,311)</b>	<b>91,875</b>	<b>705</b>	<b>4,482</b>	<b>1,364</b>
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Proceeds from notes payable									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>									
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>26,632</b>	<b>62,320</b>	<b>22,643</b>	<b>14,665</b>	<b>(56,311)</b>	<b>91,875</b>	<b>705</b>	<b>4,482</b>	<b>1,364</b>
FUND BALANCES - JANUARY 1	110,366	757,011	180,437	25,593	217,012	565,016	910	52,866	5,690
FUND BALANCES - DECEMBER 31	\$ 136,998	\$ 819,331	\$ 203,080	\$ 40,258	\$ 160,701	\$ 656,891	\$ 1,615	\$ 57,348	\$ 7,054

BAXTER 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, 2018  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Special Jail Fee	County Detention Facility	Boating Safety	Emergency 911	Public Defender	Drug Court Program	Juvenile Probation Fee	Circuit Clerk Commissioner's Fee	Assessor's Late Assessment Fee
REVENUES									
State aid			\$ 10,983						
Federal aid									
Property taxes									\$ 1,715
Sales taxes									
Fines, forfeitures, and costs	\$ 79,244	\$ 11,457			\$ 25,069	\$ 600	\$ 1,000		
Interest	634	107	1,198	\$ 3,371	687	166	598	\$ 427	39
Officers' fees							19,510	1,898	
Donations									
911 fees				390,465					
Airport sales and rental income									
Jail fees									
Treasurer's commission									
Collector's commission									
Other	911		136	2,115	2,381	10	4,763	19	10
<b>TOTAL REVENUES</b>	<b>80,789</b>	<b>11,564</b>	<b>12,317</b>	<b>395,951</b>	<b>28,137</b>	<b>776</b>	<b>25,871</b>	<b>2,344</b>	<b>1,764</b>
Less: Treasurer's commission	1,626	105	244	4,975	60	15	497	42	35
<b>NET REVENUES</b>	<b>79,163</b>	<b>11,459</b>	<b>12,073</b>	<b>390,976</b>	<b>28,077</b>	<b>761</b>	<b>25,374</b>	<b>2,302</b>	<b>1,729</b>
EXPENDITURES									
Current:									
General government									
Law enforcement	88,329	2,082	1,296		41,226	675	1,436		
Public safety				614,201					
Recreation and culture									
Airport									
<b>Total Current</b>	<b>88,329</b>	<b>2,082</b>	<b>1,296</b>	<b>614,201</b>	<b>41,226</b>	<b>675</b>	<b>1,436</b>		
Debt Service:									
Bond principal									
Bond interest and other charges									
Lease principal				70,001					
Lease interest				1,492					
<b>TOTAL EXPENDITURES</b>	<b>88,329</b>	<b>2,082</b>	<b>1,296</b>	<b>685,694</b>	<b>41,226</b>	<b>675</b>	<b>1,436</b>		
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(9,166)</b>	<b>9,377</b>	<b>10,777</b>	<b>(294,718)</b>	<b>(13,149)</b>	<b>86</b>	<b>23,938</b>	<b>2,302</b>	<b>1,729</b>
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Proceeds from notes payable									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>									
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(9,166)</b>	<b>9,377</b>	<b>10,777</b>	<b>(294,718)</b>	<b>(13,149)</b>	<b>86</b>	<b>23,938</b>	<b>2,302</b>	<b>1,729</b>
FUND BALANCES - JANUARY 1	42,860		56,398	442,251	43,049	8,809	18,002	21,102	1,067
FUND BALANCES - DECEMBER 31	<b>\$ 33,694</b>	<b>\$ 9,377</b>	<b>\$ 67,175</b>	<b>\$ 147,533</b>	<b>\$ 29,900</b>	<b>\$ 8,895</b>	<b>\$ 41,940</b>	<b>\$ 23,404</b>	<b>\$ 2,796</b>

BAXTER 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, 2018  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS		DEBT SERVICE FUND	Totals
	Sheriff's Projects	Juvenile Grant	Office of Emergency Services Grants	Airport	Communication Facility and Equipment	Jail Construction	Health Unit Building	Airport Revenue Bond	
REVENUES									
State aid									\$ 214,254
Federal aid				\$ 217,402					217,402
Property taxes									605,318
Sales taxes				3,961		\$ 3,574,988			3,578,949
Fines, forfeitures, and costs	\$ 5,774								142,711
Interest	344		\$ 151			28,978	\$ 1,152		64,238
Officers' fees					\$ 14,355				379,569
Donations									287,465
911 fees									390,465
Airport sales and rental income				115,563					115,563
Jail fees					58,117				58,117
Treasurer's commission									32,257
Collector's commission									116,060
Other	4,755		1				7		109,249
<b>TOTAL REVENUES</b>	<b>10,873</b>		<b>152</b>	<b>336,926</b>	<b>72,472</b>	<b>3,603,966</b>	<b>1,159</b>		<b>6,311,617</b>
Less: Treasurer's commission	185		3				23		20,177
<b>NET REVENUES</b>	<b>10,688</b>		<b>149</b>	<b>336,926</b>	<b>72,472</b>	<b>3,603,966</b>	<b>1,136</b>		<b>6,291,440</b>
EXPENDITURES									
Current:									
General government									475,779
Law enforcement	14,851				58,585	650,514			859,685
Public safety									614,201
Recreation and culture									1,069,344
Airport				297,076					297,076
<b>Total Current</b>	<b>14,851</b>			<b>297,076</b>	<b>58,585</b>	<b>650,514</b>			<b>3,316,085</b>
Debt Service:									
Bond principal								\$ 31,023	31,023
Bond interest and other charges								13,406	13,406
Lease principal									70,001
Lease interest									1,492
<b>TOTAL EXPENDITURES</b>	<b>14,851</b>			<b>297,076</b>	<b>58,585</b>	<b>650,514</b>		<b>44,429</b>	<b>3,432,007</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(4,163)</b>		<b>149</b>	<b>39,850</b>	<b>13,887</b>	<b>2,953,452</b>	<b>1,136</b>	<b>(44,429)</b>	<b>2,859,433</b>
OTHER FINANCING SOURCES (USES)									
Transfers in								44,429	44,429
Transfers out				(44,429)					(44,429)
Proceeds from notes payable						197,449			197,449
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>				<b>(44,429)</b>		<b>197,449</b>		<b>44,429</b>	<b>197,449</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(4,163)</b>		<b>149</b>	<b>(4,579)</b>	<b>13,887</b>	<b>3,150,901</b>	<b>1,136</b>		<b>3,056,882</b>
FUND BALANCES - JANUARY 1	18,662	\$ 54	7,872	168,730	16,466	(44,569)	59,805	25,000	2,800,459
FUND BALANCES - DECEMBER 31	\$ 14,499	\$ 54	\$ 8,021	\$ 164,151	\$ 30,353	\$ 3,106,332	\$ 60,941	\$ 25,000	\$ 5,857,341

BAXTER COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2018

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 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.
Library Board	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
County Clerk's Cost	Ark. Code Ann. § 16-20-407 established a \$2 marriage license fee to be used for operation of the County Clerk's office.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's office.
Breathalyzer	Ark. Code Ann. § 16-10-308 established fund to receive revenues generated from court costs to be used to maintain and purchase breathalyzer.
Special Jail Fee	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.
County Detention Facility	Ark. Code Ann. § 12-41-505 established fund to receive a \$20 booking and administration fee assessed on person convicted of a felony or Class A misdemeanor to be used exclusively for the maintenance, operation, and capital expenditures of a county jail or regional detention facility.



BAXTER COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2018

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

<u>Fund Name</u>	<u>Fund Description</u>
Boating Safety	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within 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.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund to be used for defense of indigents.
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.
Juvenile Probation Fee	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.
Sheriff's Projects	Established to account for drug restitution ordered by Circuit court to be used for drug eradication and court costs collected to fund the County's breathalyzer expenses as authorized by Ark. Code Ann. § 16-10-307.
Juvenile Grant	Established to receive and disburse state grant monies for the operations of the Juvenile Services Department. Fund is restricted by Grantor.
Office of Emergency Services Grants	Established to account for grants received from Arkansas Department of Emergency Management for the purpose of purchasing equipment.

BAXTER COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2018

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

<u>Fund Name</u>	<u>Fund Description</u>
Airport	Established by Baxter County court order dated March 16, 1978 to receive federal grants, state grants, and operating revenues to be used for improvement and operations of the Baxter Regional Airport.
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.
Jail Construction	Established to receive and disburse sales tax monies for the expansion of the county jail. Fund is restricted by County Ordinance.
Health Unit Building	Established to receive and disburse local and state grant monies for the construction of a new health unit building. Fund is restricted by Grantor.
Airport Revenue Bond	Baxter County Ordinance no. 2012-59 (September 6, 2012) established fund to receive airport revenues and make principal and interest payments on revenue bonds. Airport revenues are pledged for the Airport Revenue Refund Bond.

Treasurer's accounts consist primarily of agency funds and Treasurer's commission not yet distributed to the appropriate entities.

Collector's accounts consist primarily of delinquent taxes not yet distributed to the various taxing units.

Sheriff's accounts consist primarily of fees settlement, bond, evidence, and inmate trust money.

County Clerk's accounts consist primarily of fees to be settled with the Treasurer and trust money awaiting disposition by the applicable court.

Juvenile Probation accounts consist primarily of probation fees awaiting disposition to the County.

BAXTER COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2018  
(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.

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, 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, property taxes, and federal aid that are restricted or committed for maintaining and constructing roads.

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

**Special Revenue Funds** - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. 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 Funds presented on Schedules 1 and 2 are 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 Fund presented on Schedules 1 and 2 is 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.

BAXTER COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2018  
(UNAUDITED)

1. (Continued)

**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. 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.

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 accounts and certificates of deposit.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, trusts, and excess commissions that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
3. Assigned fund balance – amounts that are constrained by the Quorum Court's intent to be used for specific purposes, but are neither restricted nor committed.
4. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**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.

BAXTER COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2018  
(UNAUDITED)

1. (Continued)

**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.

BAXTER COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2018  
(UNAUDITED)

**2. Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2018, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances			
Restricted for:			
General government			\$ 1,242,451
Law enforcement			446,021
Highways and streets		\$ 1,456,095	
Public safety			155,554
Recreation and culture			656,891
Airport			164,151
Capital outlay			3,106,332
Debt service			25,000
Total Restricted		1,456,095	5,796,400
Committed for:			
General government	\$ 24,733		
Law enforcement	1,760		
Total Committed	26,493		
Assigned to:			
General government	983,797		
Law enforcement	93,536		
Capital outlay			60,941
Total Assigned	1,077,333		60,941
Unassigned	1,392,795		
Totals	\$ 2,496,621	\$ 1,456,095	\$ 5,857,341

**3. Commitments**

Total commitments consist of the following at December 31, 2018:

	December 31, 2018
Long-term liabilities	\$ 532,415
Noncancellable leases	165,056
Reappraisal contract	1,329,600
Construction contract	3,234,844
Total Commitments	\$ 5,261,915

BAXTER COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2018  
(UNAUDITED)

**3. Commitments (Continued)**

Long-term Liabilities

Long-term liabilities at December 31, 2018, are comprised of the following:

	December 31, 2018
Bonded indebtedness, dated October 11, 2012, titled Baxter County, Arkansas Airport Refunding and Improvement Bond, Series 2012, in the amount of \$505,000 with an interest rate of 3.85%. These bonds were issued for the purpose of refunding the 2001 Airport Revenue Bonds and promissory note for the purpose of constructing additional hangars. These bonds shall be paid from the pledged airport revenues, payable through October 2027. Payments are to be made from the Airport Revenue Bond Debt Service Fund.	\$ 328,716
Note payable with First Community Bank for a line of credit up to \$4,210,000 for the County jail expansion project, interest due annually, with an interest rate of 2.58%. Total principal due December 10, 2019. Payments are to be made from the Jail Construction Fund.	203,699
Total Long-term liabilities	\$ 532,415

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

Compensated Absences

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

Post Employment Benefits Other Than Pensions

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

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2018:

Years Ending December 31,	Bonds	Notes	Total
2019	\$ 33,321	\$ 212,966	\$ 246,287
2020	44,429		44,429
2021	44,429		44,429
2022	44,429		44,429
2023	44,429		44,429
2024 through 2027	177,714		177,714
Total Obligations	388,751	212,965	601,716
Less Interest	60,035	9,266	69,301
Total Principal	\$ 328,716	\$ 203,699	\$ 532,415

Noncancellable Leases

The County entered into noncancellable lease agreements for three motor graders on November 28, 2016 and then again on October 10, 2017. Terms of the leases are monthly rental payments of \$3,018 and \$3,431 per month, respectively, for 36 months. At the end of the lease terms, the County will return the graders to the lessor.

BAXTER COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2018  
(UNAUDITED)

**3. Commitments (Continued)**

Noncancellable Leases (Continued)

The County entered into a noncancellable lease agreement for four dump trucks on January 9, 2017. Terms of the lease are monthly rental payments of \$4,698 per month for 36 months. At the end of the lease term, the County will return the trucks to the lessor.

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

<u>Year</u>	<u>December 31, 2018</u>
2019	\$ 130,746
2020	34,310
Total	<u>\$ 165,056</u>

Rental expense for 2018 was \$129,072.

Reappraisal Contract

The County entered into a contract dated October 25, 2017, with Total Assessment Solutions Corporation for reappraisal services. Terms of the contract require monthly payments of \$27,700 beginning January 15, 2018, 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, 2018</u>
2019	\$ 332,400
2020	332,400
2021	332,400
2022	332,400
Total	<u>\$ 1,329,600</u>

Reappraisal expense for 2018 was \$332,400.

Construction Contract

The County was contractually obligated for the following construction contracts at December 31, 2018:

<u>Project Name</u>	<u>Completion Date</u>	<u>Contract Balance December 31, 2018</u>
Baxter County Jail Expansion	November 2019	<u>\$ 3,234,844</u>

**4. Interfund Transfers**

Within Other Funds in the Aggregate, the Airport Fund transferred \$44,429 to the Airport Revenue Bond Debt Service Fund for debt service payments.

**5. Pledged Revenues**

The County pledged future airport revenues to repay \$505,000 in bonds that were issued in 2012 to provide funding for refunding airport debt and improvements. Total principal and interest remaining on the bonds are \$328,716 and \$60,035, respectively, payable through October 10, 2027. For 2018, principal and interest paid were \$31,023 and \$13,406, respectively. Airport sales and rental income for 2018 was \$115,563.



BAXTER COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2018  
(UNAUDITED)

**6. Jointly Governed Organizations**

Fourteenth Judicial Drug Task Force

The Prosecuting Attorney of the Fourteenth Judicial District, the Sheriffs' departments of Baxter, Boone, Marion, and Newton Counties, and Police Departments of Harrison and Mountain Home entered into an agreement to establish the Fourteenth Judicial Drug Task Force. Funding was provided through a Drug Law Enforcement grant applied for by the Prosecuting Attorney of the Fourteenth Judicial District. Financial statements of the Fourteenth Judicial Drug Task Force were not available.

Ozark Mountain Solid Waste District

The Ozark Mountain Solid Waste District is a jointly governed organization comprised of representatives from Baxter, Boone, Carroll, Marion, Newton, and Searcy Counties and participating cities within the aforementioned counties. Representatives are the respective judges and mayors unless some other representative is appointed by the participating entity. Baxter County made no payments to the Ozark Mountain Solid Waste District in 2018. The County remitted \$361,236 to the Bank of the Ozarks Trust Department for service fees billed on property tax statements as ordered by the Circuit Court of Pulaski County in Case No.: 60CV-14-4479.

**7. 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, 2018 were \$864,243.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, is 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, 2018 (actuarial valuation date and measurement date) was \$6,900,418.

**8. Capital Assets**

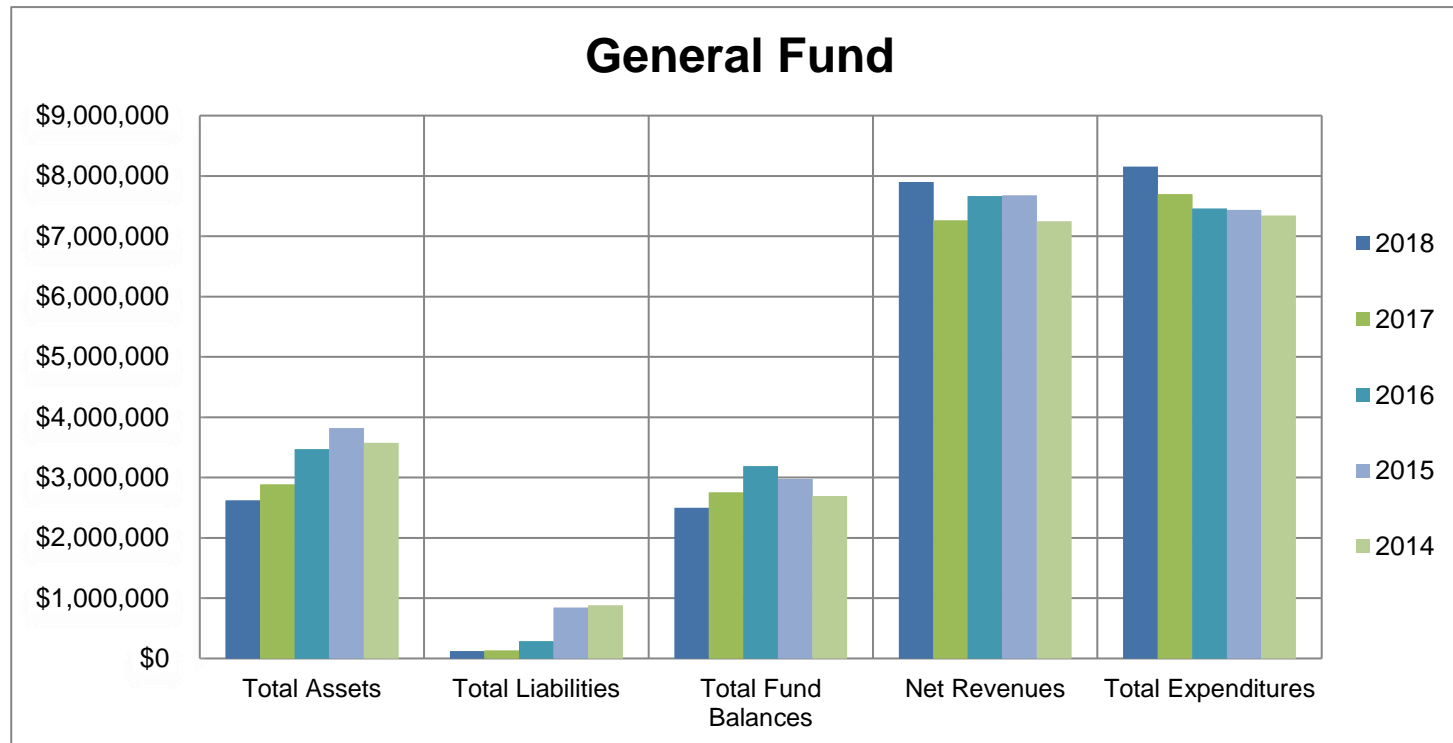
The County's fixed asset records are summarized below:

	December 31, 2018
Land and Buildings	\$ 11,165,435
Construction in Progress	749,972
Improvements	2,990,803
Equipment	12,879,666
Total	\$ 27,785,876

BAXTER COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
 DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 3-1

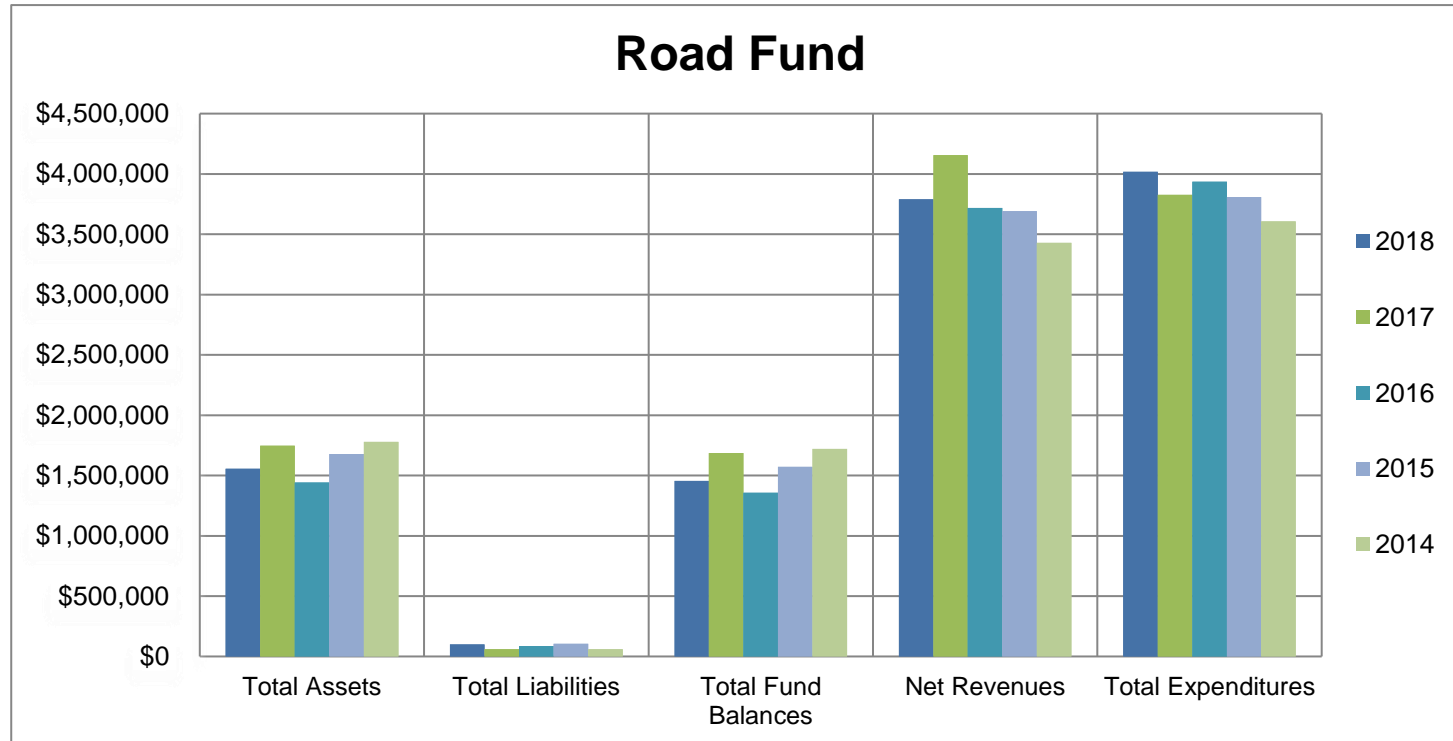
<u>General</u>	2018	2017	2016	2015	2014
Total Assets	\$ 2,615,854	\$ 2,883,356	\$ 3,467,790	\$ 3,815,207	\$ 3,574,081
Total Liabilities	119,233	131,072	282,718	840,672	879,319
Total Fund Balances	2,496,621	2,752,284	3,185,072	2,974,535	2,694,762
Net Revenues	7,894,924	7,262,791	7,666,297	7,675,290	7,243,760
Total Expenditures	8,150,587	7,695,579	7,454,386	7,434,412	7,338,147
Total Other Financing Sources/Uses			(1,374)	38,895	108,612



BAXTER COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
 DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 3-2

<u>Road</u>	2018	2017	2016	2015	2014
Total Assets	\$ 1,555,996	\$ 1,746,456	\$ 1,441,857	\$ 1,678,080	\$ 1,779,924
Total Liabilities	99,901	60,900	85,381	106,043	58,951
Total Fund Balances	1,456,095	1,685,556	1,356,476	1,572,037	1,720,973
Net Revenues	3,788,471	4,156,434	3,718,389	3,690,083	3,429,396
Total Expenditures	4,017,932	3,827,354	3,935,324	3,807,426	3,607,491
Total Other Financing Sources/Uses			1,374	(31,593)	322,165



BAXTER COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
 DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	2018	2017	2016	2015	2014
Total Assets	\$ 6,724,607	\$ 3,649,098	\$ 3,338,151	\$ 3,468,118	\$ 3,635,201
Total Liabilities	867,266	848,639	410,660	626,776	670,766
Total Fund Balances	5,857,341	2,800,459	2,927,491	2,841,342	2,964,435
Net Revenues	6,291,440	2,685,620	2,490,564	3,027,585	2,504,298
Total Expenditures	3,432,007	2,812,652	2,404,415	3,143,376	2,330,167
Total Other Financing Sources/Uses	197,449			(7,302)	(93,325)

