

**Mississippi County, Arkansas**

**Financial and Compliance Report**

**December 31, 2016**

LEGISLATIVE JOINT AUDITING COMMITTEE

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Financial and Compliance Report

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# Arkansas



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**Sen. Lance Eads**  
Senate Vice Chair

**Rep. Richard Womack**  
House Chair  
**Rep. Mary Bentley**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### 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, 2016, and have issued our report thereon dated February 6, 2018. 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 findings contained in this section relate to the following officials who held office during 2016:

County Judge: Randy Carney  
Treasurer: Peggy Meatte  
Sheriff: Dale Cook  
Tax Collector: Patricia Caldwell  
County Clerk: Janice Currie  
Circuit Clerk: Leslie Mason  
Assessor: Harley Bradley

We evaluated the County's compliance with certain state laws concerning general and district court 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  
February 6, 2018  
LOCO04716

MISSISSIPPI COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2016  
(UNAUDITED)

Exhibit A

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,458,118	\$ 1,082,009	\$ 7,731,960
Investments			586,606
Accounts receivable	333,168	14,318	867,505
Interfund receivables	50,000		
<b>TOTAL ASSETS</b>	<u><u>\$ 2,841,286</u></u>	<u><u>\$ 1,096,327</u></u>	<u><u>\$ 9,186,071</u></u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 140,729	\$ 60,653	\$ 885,801
Interfund payables			50,000
Settlements pending	16,252	326	1,053,046
<b>Total Liabilities</b>	<u><u>156,981</u></u>	<u><u>60,979</u></u>	<u><u>1,988,847</u></u>
<b>Fund Balances:</b>			
Restricted		1,035,348	7,114,936
Assigned	24,385		128,748
Unassigned	2,659,920		(46,460)
<b>Total Fund Balances</b>	<u><u>2,684,305</u></u>	<u><u>1,035,348</u></u>	<u><u>7,197,224</u></u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <u><u>\$ 2,841,286</u></u>	 <u><u>\$ 1,096,327</u></u>	 <u><u>\$ 9,186,071</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, 2016  
(UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 910,888	\$ 1,906,684	\$ 285,946
Federal aid	8,269	7	605,719
Property taxes	3,380,680	989,920	579,626
Sales taxes	2,099,342		8,075,460
Fines, forfeitures, and costs	598,135		128,058
Interest	9,908	3,647	21,829
Officers' fees	116,084		268,121
Jail fees			346,593
Emergency 911 fees			489,891
Landfill fees			2,659,080
Franchise fees	1,786		
Net increase (decrease) in the fair value of investments			(15,670)
Treasurer's commission	171,891		52,513
Collector's commission	258,200		121,181
Taxes apportioned - Assessor's salary and expense	550,500		
Other	383,805	68,438	152,871
	<u>8,489,488</u>	<u>2,968,696</u>	<u>13,771,218</u>
TOTAL REVENUES			
Less: Treasurer's commission	59,500	25,032	83,142
	<u>8,429,988</u>	<u>2,943,664</u>	<u>13,688,076</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	2,902,501		1,372,179
Law enforcement	4,716,519		2,257,860
Highways and streets		2,631,382	
Public safety	31,621		362,690
Sanitation			5,549,433
Health	89,747		
Social services	169,869		594,137
Total Current	<u>7,910,257</u>	<u>2,631,382</u>	<u>10,136,299</u>
Debt Service:			
Bond interest and other charges			30,402
Lease principal		77,864	
Lease interest		15,794	
	<u>7,910,257</u>	<u>2,725,040</u>	<u>10,166,701</u>
TOTAL EXPENDITURES			

MISSISSIPPI COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(UNAUDITED)

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 519,731</u>	<u>\$ 218,624</u>	<u>\$ 3,521,375</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			1,571,307
Transfers out	(1,475,075)		(96,232)
Transfer of property and sales taxes to County Hospital Board			(3,900,217)
Bond proceeds			<u>2,884,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,475,075)</u>		<u>458,858</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(955,344)	218,624	3,980,233
FUND BALANCES - JANUARY 1	<u>3,639,649</u>	<u>816,724</u>	<u>3,216,991</u>
FUND BALANCES - DECEMBER 31	<u>\$ 2,684,305</u>	<u>\$ 1,035,348</u>	<u>\$ 7,197,224</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, 2016  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 815,352	\$ 910,888	\$ 95,536	\$ 1,781,140	\$ 1,906,684	\$ 125,544
Federal aid		8,269	8,269		7	7
Property taxes	2,941,008	3,380,680	439,672	814,298	989,920	175,622
Sales taxes	2,030,630	2,099,342	68,712			
Fines, forfeitures, and costs	500,095	598,135	98,040			
Interest	5,876	9,908	4,032	1,048	3,647	2,599
Officers' fees	114,111	116,084	1,973			
Franchise fees		1,786	1,786			
Treasurer's commission	119,753	171,891	52,138			
Collector's commission	116,017	258,200	142,183			
Taxes apportioned - Assessor's salary and expense	529,144	550,500	21,356			
Other	652,761	383,805	(268,956)	1,257	68,438	67,181
<b>TOTAL REVENUES</b>	<b>7,824,747</b>	<b>8,489,488</b>	<b>664,741</b>	<b>2,597,743</b>	<b>2,968,696</b>	<b>370,953</b>
Less: Treasurer's commission	300	59,500	(59,200)		25,032	(25,032)
<b>NET REVENUES</b>	<b>7,824,447</b>	<b>8,429,988</b>	<b>605,541</b>	<b>2,597,743</b>	<b>2,943,664</b>	<b>345,921</b>
EXPENDITURES						
Current:						
General government	2,920,643	2,902,501	18,142			
Law enforcement	3,628,235	4,716,519	(1,088,284)			
Highways and streets				3,232,971	2,631,382	601,589
Public safety	31,620	31,621	(1)			
Health	89,747	89,747				
Social services	169,869	169,869				
Total Current	6,840,114	7,910,257	(1,070,143)	3,232,971	2,631,382	601,589
Debt Service:						
Lease principal					77,864	(77,864)
Lease interest					15,794	(15,794)
<b>TOTAL EXPENDITURES</b>	<b>6,840,114</b>	<b>7,910,257</b>	<b>(1,070,143)</b>	<b>3,232,971</b>	<b>2,725,040</b>	<b>507,931</b>

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, 2016  
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 984,333	\$ 519,731	\$ (464,602)	\$ (635,228)	\$ 218,624	\$ 853,852
OTHER FINANCING SOURCES (USES)						
Transfers in	86,943		(86,943)			
Transfers out	(1,963,134)	(1,475,075)	488,059			
TOTAL OTHER FINANCING SOURCES (USES)	(1,876,191)	(1,475,075)	401,116			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(891,858)	(955,344)	(63,486)	(635,228)	218,624	853,852
FUND BALANCES - JANUARY 1	709,302	3,639,649	2,930,347		816,724	816,724
FUND BALANCES - DECEMBER 31	\$ (182,556)	\$ 2,684,305	\$ 2,866,861	\$ (635,228)	\$ 1,035,348	\$ 1,670,576

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, 2016  
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS

	Collector's Automation	Landfill	County Recorder's Cost	Solid Waste	Sheriff's Communication, Facility, and Equipment	Emergency 911	Circuit Clerk Commissioner's Fees	County Hospital	Senior Citizens
<b>ASSETS</b>									
Cash and cash equivalents	\$ 259,637	\$ 68,954	\$ 179,785	\$ 41,465	\$ 3,941	\$ 261,209	\$ 6,844		\$ 36,090
Investments		586,606							
Accounts receivable	40		19,205	54,106	675	80,336	2	\$ 263,542	28,944
<b>TOTAL ASSETS</b>	<u>\$ 259,677</u>	<u>\$ 655,560</u>	<u>\$ 198,990</u>	<u>\$ 95,571</u>	<u>\$ 4,616</u>	<u>\$ 341,545</u>	<u>\$ 6,846</u>	<u>\$ 263,542</u>	<u>\$ 65,034</u>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 3,517		\$ 30,128	\$ 92,031	\$ 1,134	\$ 7,356			\$ 16,726
Interfund payables				50,000					
Settlements pending								\$ 193	
<b>Total Liabilities</b>	<u>3,517</u>		<u>30,128</u>	<u>142,031</u>	<u>1,134</u>	<u>7,356</u>		<u>193</u>	<u>16,726</u>
<b>Fund Balances:</b>									
Restricted	256,160	\$ 655,560	168,862		3,482	334,189	\$ 6,846	263,349	48,308
Assigned									
Unassigned				(46,460)					
<b>Total Fund Balances</b>	<u>256,160</u>	<u>655,560</u>	<u>168,862</u>	<u>(46,460)</u>	<u>3,482</u>	<u>334,189</u>	<u>6,846</u>	<u>263,349</u>	<u>48,308</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 259,677</u>	<u>\$ 655,560</u>	<u>\$ 198,990</u>	<u>\$ 95,571</u>	<u>\$ 4,616</u>	<u>\$ 341,545</u>	<u>\$ 6,846</u>	<u>\$ 263,542</u>	<u>\$ 65,034</u>

MISSISSIPPI COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2016  
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS										
	Economic Development	County Jail Sales Tax	Treasurer's Automation	Court Automation	Assessor Amendment no. 79	County Clerk's Automation	Child Support Collection Costs	Detention Center (Act 1188)	Boating Safety (Act 122)	Drug Court
<b>ASSETS</b>										
Cash and cash equivalents	\$ 4,543,454	\$ 32,936	\$ 50,361	\$ 18,783	\$ 3,032	\$ 14,560	\$ 1,424	\$ 1,453	\$ 25	\$ 8,703
Investments										
Accounts receivable	256,358	145,660	12	1,085	1	499		3,841		15
<b>TOTAL ASSETS</b>	<b>\$ 4,799,812</b>	<b>\$ 178,596</b>	<b>\$ 50,373</b>	<b>\$ 19,868</b>	<b>\$ 3,033</b>	<b>\$ 15,059</b>	<b>\$ 1,424</b>	<b>\$ 5,294</b>	<b>\$ 25</b>	<b>\$ 8,718</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts payable	\$ 169,180	\$ 49,848	\$ 305	\$ 572	\$ 2,858	\$ 1,224				\$ 122
Interfund payables										
Settlements pending										
<b>Total Liabilities</b>	<b>169,180</b>	<b>49,848</b>	<b>305</b>	<b>572</b>	<b>2,858</b>	<b>1,224</b>				<b>122</b>
<b>Fund Balances:</b>										
Restricted	4,630,632		50,068	19,296	175	13,835	\$ 1,424	\$ 5,294	\$ 25	8,596
Assigned		128,748								
Unassigned										
<b>Total Fund Balances</b>	<b>4,630,632</b>	<b>128,748</b>	<b>50,068</b>	<b>19,296</b>	<b>175</b>	<b>13,835</b>	<b>1,424</b>	<b>5,294</b>	<b>25</b>	<b>8,596</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,799,812</b>	<b>\$ 178,596</b>	<b>\$ 50,373</b>	<b>\$ 19,868</b>	<b>\$ 3,033</b>	<b>\$ 15,059</b>	<b>\$ 1,424</b>	<b>\$ 5,294</b>	<b>\$ 25</b>	<b>\$ 8,718</b>

MISSISSIPPI COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2016  
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS							CAPITAL PROJECTS FUND	DEBT SERVICE FUND
	Juvenile Fees	Sheriff's Helicopter	Local Emergency Response Grant	Officers' Protection Equipment	Juvenile Detention	Justice Assistance Grant 2011	Arkansas Historic Preservation Program	Arkansas Natural Resources Commission Landfill Cell Construction	Arkansas Natural Resources Commission Solid Waste Revenue Bond
ASSETS									
Cash and cash equivalents	\$ 76,965	\$ 6,221	\$ 740	\$ 6,644	\$ 16,086	\$ 31,809		\$ 994,159	\$ 13,827
Investments									
Accounts receivable	807	2					\$ 12,375		
<b>TOTAL ASSETS</b>	<b><u>\$ 77,772</u></b>	<b><u>\$ 6,223</u></b>	<b><u>\$ 740</u></b>	<b><u>\$ 6,644</u></b>	<b><u>\$ 16,086</u></b>	<b><u>\$ 31,809</u></b>	<b><u>\$ 12,375</u></b>	<b><u>\$ 994,159</u></b>	<b><u>\$ 13,827</u></b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable					\$ 391			\$ 510,409	
Interfund payables									
Settlements pending									
Total Liabilities					<u>391</u>			<u>510,409</u>	
Fund Balances:									
Restricted	\$ 77,772	\$ 6,223	\$ 740	\$ 6,644	15,695	\$ 31,809	\$ 12,375	483,750	\$ 13,827
Assigned									
Unassigned									
Total Fund Balances	<u>77,772</u>	<u>6,223</u>	<u>740</u>	<u>6,644</u>	<u>15,695</u>	<u>31,809</u>	<u>12,375</u>	<u>483,750</u>	<u>13,827</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 77,772</u></b>	<b><u>\$ 6,223</u></b>	<b><u>\$ 740</u></b>	<b><u>\$ 6,644</u></b>	<b><u>\$ 16,086</u></b>	<b><u>\$ 31,809</u></b>	<b><u>\$ 12,375</u></b>	<b><u>\$ 994,159</u></b>	<b><u>\$ 13,827</u></b>

MISSISSIPPI COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2016  
 (UNAUDITED)

Schedule 1

AGENCY FUNDS

	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	County Judge's Accounts	Juvenile Probation Accounts	Senior Citizens Accounts	Totals
<b>ASSETS</b>									
Cash and cash equivalents	\$ 229,715	\$ 270,531	\$ 91,124	\$ 95,329	\$ 299,738	\$ 65,002	\$ 1,064	\$ 350	\$ 7,731,960
Investments									586,606
Accounts receivable									867,505
<b>TOTAL ASSETS</b>	<b><u>\$ 229,715</u></b>	<b><u>\$ 270,531</u></b>	<b><u>\$ 91,124</u></b>	<b><u>\$ 95,329</u></b>	<b><u>\$ 299,738</u></b>	<b><u>\$ 65,002</u></b>	<b><u>\$ 1,064</u></b>	<b><u>\$ 350</u></b>	<b><u>\$ 9,186,071</u></b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable									\$ 885,801
Interfund payables									50,000
Settlements pending	\$ 229,715	\$ 270,531	\$ 91,124	\$ 95,329	\$ 299,738	\$ 65,002	\$ 1,064	\$ 350	1,053,046
<b>Total Liabilities</b>	<b><u>229,715</u></b>	<b><u>270,531</u></b>	<b><u>91,124</u></b>	<b><u>95,329</u></b>	<b><u>299,738</u></b>	<b><u>65,002</u></b>	<b><u>1,064</u></b>	<b><u>350</u></b>	<b><u>1,988,847</u></b>
Fund Balances:									
Restricted									7,114,936
Assigned									128,748
Unassigned									(46,460)
<b>Total Fund Balances</b>									<b><u>7,197,224</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 229,715</u></b>	<b><u>\$ 270,531</u></b>	<b><u>\$ 91,124</u></b>	<b><u>\$ 95,329</u></b>	<b><u>\$ 299,738</u></b>	<b><u>\$ 65,002</u></b>	<b><u>\$ 1,064</u></b>	<b><u>\$ 350</u></b>	<b><u>\$ 9,186,071</u></b>

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, 2016  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Collector's Automation	Landfill	County Recorder's Cost	Solid Waste	Sheriff's Communication, Facility, and Equipment	Emergency 911	Circuit Clerk Commissioner's Fees	County Hospital
REVENUES								
State aid				\$ 52,484				\$ 56,649
Federal aid								
Property taxes								579,626
Sales taxes								3,230,184
Fines, forfeitures, and costs								
Interest	\$ 714	\$ 3,636	\$ 541	117	\$ 78	\$ 713	\$ 22	298
Officers' fees			231,064		14,158		1,534	
Jail fees								
Emergency 911 fees						489,891		
Landfill fees				2,659,080				
Net increase (decrease) in the fair value of investments		(15,670)						
Treasurer's commission								
Collector's commission	121,181							
Other				940	55,157	25,882		
<b>TOTAL REVENUES</b>	<b>121,895</b>	<b>(12,034)</b>	<b>231,605</b>	<b>2,712,621</b>	<b>69,393</b>	<b>516,486</b>	<b>1,556</b>	<b>3,866,757</b>
Less: Treasurer's commission			2,002	22,651	161	3,586	14	32,869
<b>NET REVENUES</b>	<b>121,895</b>	<b>(12,034)</b>	<b>229,603</b>	<b>2,689,970</b>	<b>69,232</b>	<b>512,900</b>	<b>1,542</b>	<b>3,833,888</b>
EXPENDITURES								
Current:								
General government	96,230		183,048					
Law enforcement					90,388			
Public safety						360,531		
Sanitation				3,149,108				
Social services								
Total Current	96,230		183,048	3,149,108	90,388	360,531		
Debt Service:								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>96,230</b>		<b>183,048</b>	<b>3,149,108</b>	<b>90,388</b>	<b>360,531</b>		
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>25,665</b>	<b>(12,034)</b>	<b>46,555</b>	<b>(459,138)</b>	<b>(21,156)</b>	<b>152,369</b>	<b>1,542</b>	<b>3,833,888</b>
OTHER FINANCING SOURCES (USES)								
Transfers in		667,594		700,676				
Transfers out				(96,232)				
Transfer of property and sales taxes to County Hospital Board								(3,900,217)
Bond proceeds								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>667,594</b>		<b>604,444</b>				<b>(3,900,217)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>25,665</b>	<b>655,560</b>	<b>46,555</b>	<b>145,306</b>	<b>(21,156)</b>	<b>152,369</b>	<b>1,542</b>	<b>(66,329)</b>
FUND BALANCES - JANUARY 1	230,495		122,307	(191,766)	24,638	181,820	5,304	329,678
FUND BALANCES - DECEMBER 31	<u>\$ 256,160</u>	<u>\$ 655,560</u>	<u>\$ 168,862</u>	<u>\$ (46,460)</u>	<u>\$ 3,482</u>	<u>\$ 334,189</u>	<u>\$ 6,846</u>	<u>\$ 263,349</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, 2016  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Senior Citizens	Economic Development	County Jail Sales Tax	Five Star Hydraulic Grant	Treasurer's Automation	Court Automation	Assessor Amendment no. 79	County Clerk's Automation
REVENUES								
State aid	\$ 120,653						\$ 5,946	
Federal aid	251,364			\$ 324,532				
Property taxes								
Sales taxes		\$ 3,230,184	\$ 1,615,092					
Fines, forfeitures, and costs						\$ 21,629		
Interest	242	14,607	93		\$ 184	71	44	\$ 77
Officers' fees								7,512
Jail fees			346,593					
Emergency 911 fees								
Landfill fees								
Net increase (decrease) in the fair value of investments								
Treasurer's commission					52,513			
Collector's commission								
Other	47,461		23,431					
<b>TOTAL REVENUES</b>	<b>419,720</b>	<b>3,244,791</b>	<b>1,985,209</b>	<b>324,532</b>	<b>52,697</b>	<b>21,700</b>	<b>5,990</b>	<b>7,589</b>
Less: Treasurer's commission		2,276	18,259			185		63
<b>NET REVENUES</b>	<b>419,720</b>	<b>3,242,515</b>	<b>1,966,950</b>	<b>324,532</b>	<b>52,697</b>	<b>21,515</b>	<b>5,990</b>	<b>7,526</b>
EXPENDITURES								
Current:								
General government		679,381		324,532	62,365		13,782	12,516
Law enforcement			1,971,523			18,150		
Public safety								
Sanitation								
Social services	594,137							
Total Current	594,137	679,381	1,971,523	324,532	62,365	18,150	13,782	12,516
Debt Service:								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>594,137</b>	<b>679,381</b>	<b>1,971,523</b>	<b>324,532</b>	<b>62,365</b>	<b>18,150</b>	<b>13,782</b>	<b>12,516</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(174,417)	2,563,134	(4,573)		(9,668)	3,365	(7,792)	(4,990)
OTHER FINANCING SOURCES (USES)								
Transfers in	158,809							
Transfers out								
Transfer of property and sales taxes to County Hospital Board								
Bond proceeds								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>158,809</b>							
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(15,608)	2,563,134	(4,573)		(9,668)	3,365	(7,792)	(4,990)
FUND BALANCES - JANUARY 1	63,916	2,067,498	133,321		59,736	15,931	7,967	18,825
FUND BALANCES - DECEMBER 31	\$ 48,308	\$ 4,630,632	\$ 128,748	\$ 0	\$ 50,068	\$ 19,296	\$ 175	\$ 13,835

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, 2016  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS							
	Child Support Collection Costs	Detention Center (Act 1188)	Boating Safety (Act 122)	Drug Court	Juvenile Fees	Sheriff's Helicopter	Local Emergency Response Grant	Officers' Protection Equipment
REVENUES								
State aid			\$ 2,171	\$ 4,791	\$ 136			
Federal aid				4,500				\$ 3,969
Property taxes								
Sales taxes								
Fines, forfeitures, and costs		\$ 105,804		625				
Interest	\$ 5	18	1		264	\$ 28		
Officers' fees	360				13,491		\$ 2	
Jail fees								
Emergency 911 fees								
Landfill fees								
Net increase (decrease) in the fair value of investments								
Treasurer's commission								
Collector's commission								
Other								
<b>TOTAL REVENUES</b>	<b>365</b>	<b>105,822</b>	<b>2,172</b>	<b>9,916</b>	<b>13,891</b>	<b>28</b>	<b>2</b>	<b>3,969</b>
Less: Treasurer's commission	3	932	19	5	117			
<b>NET REVENUES</b>	<b>362</b>	<b>104,890</b>	<b>2,153</b>	<b>9,911</b>	<b>13,774</b>	<b>28</b>	<b>2</b>	<b>3,969</b>
EXPENDITURES								
Current:								
General government	325							
Law enforcement		108,425		5,373	3,565	3,003		15,403
Public safety			2,159					
Sanitation								
Social services								
Total Current	325	108,425	2,159	5,373	3,565	3,003		15,403
Debt Service:								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>325</b>	<b>108,425</b>	<b>2,159</b>	<b>5,373</b>	<b>3,565</b>	<b>3,003</b>		<b>15,403</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>37</b>	<b>(3,535)</b>	<b>(6)</b>	<b>4,538</b>	<b>10,209</b>	<b>(2,975)</b>	<b>2</b>	<b>(11,434)</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
Transfer of property and sales taxes to County Hospital Board								
Bond proceeds								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>37</b>	<b>(3,535)</b>	<b>(6)</b>	<b>4,538</b>	<b>10,209</b>	<b>(2,975)</b>	<b>2</b>	<b>(11,434)</b>
FUND BALANCES - JANUARY 1	1,387	8,829	31	4,058	67,563	9,198	738	18,078
FUND BALANCES - DECEMBER 31	<u>\$ 1,424</u>	<u>\$ 5,294</u>	<u>\$ 25</u>	<u>\$ 8,596</u>	<u>\$ 77,772</u>	<u>\$ 6,223</u>	<u>\$ 740</u>	<u>\$ 6,644</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, 2016  
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	DEBT SERVICE FUND	Totals
	Juvenile Detention	Justice Assistance Grant 2011	General Improvement Fund Grant	Courtroom Security Grant	Arkansas Historic Preservation Program	Arkansas Natural Resources Commission Landfill Cell Construction	Arkansas Natural Resources Commission Solid Waste Revenue Bond	
REVENUES								
State aid	\$ 16,891		\$ 6,000	\$ 7,850	\$ 12,375			\$ 285,946
Federal aid		\$ 21,354						605,719
Property taxes								579,626
Sales taxes								8,075,460
Fines, forfeitures, and costs								128,058
Interest						\$ 75	\$ 1	21,829
Officers' fees								268,121
Jail fees								346,593
Emergency 911 fees								489,891
Landfill fees								2,659,080
Net increase (decrease) in the fair value of investments								(15,670)
Treasurer's commission								52,513
Collector's commission								121,181
Other								152,871
<b>TOTAL REVENUES</b>	<b>16,891</b>	<b>21,354</b>	<b>6,000</b>	<b>7,850</b>	<b>12,375</b>	<b>75</b>	<b>1</b>	<b>13,771,218</b>
Less: Treasurer's commission								83,142
<b>NET REVENUES</b>	<b>16,891</b>	<b>21,354</b>	<b>6,000</b>	<b>7,850</b>	<b>12,375</b>	<b>75</b>	<b>1</b>	<b>13,688,076</b>
EXPENDITURES								
Current:								
General government								1,372,179
Law enforcement	19,022	9,158	6,000	7,850				2,257,860
Public safety								362,690
Sanitation						2,400,325		5,549,433
Social services								594,137
Total Current	19,022	9,158	6,000	7,850		2,400,325		10,136,299
Debt Service:								
Bond interest and other charges							30,402	30,402
<b>TOTAL EXPENDITURES</b>	<b>19,022</b>	<b>9,158</b>	<b>6,000</b>	<b>7,850</b>		<b>2,400,325</b>	<b>30,402</b>	<b>10,166,701</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,131)	12,196			12,375	(2,400,250)	(30,401)	3,521,375
OTHER FINANCING SOURCES (USES)								
Transfers in							44,228	1,571,307
Transfers out								(96,232)
Transfer of property and sales taxes to County Hospital Board								(3,900,217)
Bond proceeds						2,884,000		2,884,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>						<b>2,884,000</b>	<b>44,228</b>	<b>458,858</b>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(2,131)	12,196			12,375	483,750	13,827	3,980,233
FUND BALANCES - JANUARY 1	17,826	19,613						3,216,991
FUND BALANCES - DECEMBER 31	\$ 15,695	\$ 31,809	\$ 0	\$ 0	\$ 12,375	\$ 483,750	\$ 13,827	\$ 7,197,224



MISSISSIPPI COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2016  
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
Landfill	Established to meet the financial assurance requirements of Ark. Code Ann. §§ 8-6-1603 and 8-6-1002. This is an approved mechanism to be used to demonstrate financial assurance by Arkansas Department of Environmental Quality.
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.
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. Mississippi 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.
Sheriff's Communication, Facility, and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communications equipment and repair and to train operations staff.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Circuit Clerk Commissioner's Fees	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as Commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for the general operations expenses of the office of Circuit Clerk.
County Hospital	Mississippi County Ordinance no. 2006-12 (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.

MISSISSIPPI COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2016  
(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 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.
Five Star Hydraulic Grant	Established to account for federal grant distributed through East Arkansas Planning and Development District for economic development of the area.
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.
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 Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Ark. Const. amend. 79.
County Clerk's Automation	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.
Child Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Detention Center (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; 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.
Boating Safety (Act 122)	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.
Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
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.
Sheriff's Helicopter	Established to account for donations to be used for sheriff and helicopter expenses.

MISSISSIPPI COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2016  
 (UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
Juvenile Detention	Established to account for grants received from the Arkansas Department of Finance and Administration to supplement juvenile detention facilities operations.
Justice Assistance Grant 2011	Established to account for grant to provide local governments with funding to support a range of program areas including law enforcement, prosecution and courts, crime prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation, technology improvement, and crime victim and witness initiatives.
General Improvement Fund Grant	Established to account for state grant received to assist rural communities in Arkansas with development and improvement of local facilities.
Courtroom Security Grant	Established to account for state grant received for the purchase of security systems for the local court rooms.
Arkansas Historic Preservation Program	Established to account for state grant received for the modifications to properties on the Arkansas Register to become eligible for the National Register.
Arkansas Natural Resources Commission Landfill Cell Construction	Established to account for proceeds from a Solid Waste Revenue Bond from the Arkansas Natural Resources Commission used to finance construction for a new cell at the County Landfill.
Arkansas Natural Resources Commission Solid Waste Revenue Bond	Established to account for debt service payments for Arkansas Natural Resources Commission Solid Waste Revenue Bond.

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

County Clerk's accounts consist primarily of fee money to be settled with Treasurer and payroll related withholdings.

Circuit Clerk's accounts consist of trust money and settlements due to Treasurer.

County Judge's accounts consist primarily of landfill monies.

Juvenile Probation account consists of probation fees awaiting disposition to the County.

Senior Citizens account consists of petty cash used for Senior Citizen program.

MISSISSIPPI COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2016  
(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 and property taxes.

**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 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.

**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.

MISSISSIPPI COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2016  
(UNAUDITED)

1. (Continued)

**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.

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.

**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 except for the Arkansas Natural Resources Commission Landfill Cell Construction.

**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.

MISSISSIPPI COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2016  
(UNAUDITED)

1. (Continued)

F. Fund Balance Classification Policies and Procedures (Continued)

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.

2. Details of Fund Balance Classifications

Fund balance classifications at December 31, 2016, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Restricted for:			
General government			\$ 5,140,377
Law enforcement			174,811
Highways and streets		\$ 1,035,348	
Public safety			334,954
Sanitation			655,560
Health			263,349
Social services			48,308
Capital outlay			483,750
Debt service			13,827
Total Restricted		<u>1,035,348</u>	<u>7,114,936</u>
Assigned to:			
General government	\$ 2,638		
Law enforcement	21,747		128,748
Total Assigned	<u>24,385</u>		<u>128,748</u>
Unassigned	<u>2,659,920</u>		<u>(46,460)</u>
Totals	<u>\$ 2,684,305</u>	<u>\$ 1,035,348</u>	<u>\$ 7,197,224</u>

3. Commitments

Total commitments consist of the following at December 31, 2016:

	December 31, 2016
Long-term liabilities	\$ 5,146,385
Construction contract	<u>151,684</u>
Total Commitments	<u>\$ 5,298,069</u>

MISSISSIPPI COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2016  
(UNAUDITED)

**3. Commitments (Continued)**

Long-term Liabilities

Long-term liabilities at December 31, 2016, are comprised of the following:

	December 31, 2016
Estimated liability for closure and postclosure care costs	\$ 1,454,421
Compensated absences	160,582
Lease payable entered into on May 26, 2015, with Bancorp South Finance to purchase five Mack Dump Trucks; interest at 2.29%, monthly installments of \$7,805 and one final payment of \$535,000. Payments are to be made from the Road Fund.	647,382
Solid Waste Revenue Bond through the Arkansas Natural Resources Commission, due in semi-annual installments of \$165,918 through December 2026, interest rate 2.75%. Payments are to be made from the Arkansas Natural Resources Solid Waste Revenue Bond Fund.	2,884,000
Total Long-term liabilities	\$ 5,146,385

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

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 of 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 \$1,454,421 as of December 31, 2016, which is based on 21.6% use of the class one landfill and 5.79% use of the class four landfill's capacity. The County will recognize the remaining estimated cost of closure and postclosure care of \$5,754,043 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2016. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The County has set aside \$655,560 in the Landfill Fund as a restricted fund balance intended for closure and postclosure care costs.

MISSISSIPPI COUNTY, ARKANSAS  
OTHER GENERAL INFORMATION  
DECEMBER 31, 2016  
(UNAUDITED)

**3. Commitments (Continued)**

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2016:

Years Ending December 31,	Bonds	Leases	Total
2017	\$ 331,836	\$ 93,658	\$ 425,494
2018	331,836	574,024	905,860
2019	331,836		331,836
2020	331,836		331,836
2021	331,836		331,836
2022 through 2026	<u>1,659,180</u>		<u>1,659,180</u>
Total Obligations	<u>3,318,360</u>	<u>667,682</u>	<u>3,986,042</u>
Less Interest	<u>434,360</u>	<u>20,300</u>	<u>454,660</u>
Total Principal	<u><u>\$2,884,000</u></u>	<u><u>\$ 647,382</u></u>	<u><u>\$ 3,531,382</u></u>

Construction Contract

The County was contractually obligated for the following construction contract at December 31, 2016:

Project Name	Completion Date	Contract Balance December 31, 2016
Landfill Cell Construction	December 31, 2017	<u><u>\$ 151,684</u></u>

**4. Interfund Transfers**

General Fund transferred \$1,475,075 to Other Funds in the Aggregate (Landfill \$615,590, Solid Waste \$700,676, and Senior Citizens \$158,809) for operational purposes. Within Other Funds in the Aggregate, Solid Waste Fund transferred \$96,232 (Landfill \$52,004 and Arkansas Natural Resources Commission Solid Waste Revenue Bond \$44,228) for solid waste operational and debt purposes.

**5. Pledged Revenues**

The County pledged future landfill fees to repay \$2,884,000 in Solid Waste Revenue Bonds from the Arkansas Natural Resources Commission 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 \$2,884,000 and \$434,360, respectively, payable through December 1, 2026. For 2016, interest paid was \$30,402.

The Solid Waste Fund received \$2,659,080 in landfill fees in 2016. Any landfill fees collected in excess of debt service payments on these bonds is permitted to be used for landfill related purposes



MISSISSIPPI COUNTY, ARKANSAS  
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DECEMBER 31, 2016  
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**6. Joint Venture: Regional Library**

Mississippi and Crittenden Counties entered into an agreement in July, 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 2016. Contact the Mississippi County/Crittenden County Regional Library at 200 North 5<sup>th</sup> Street, Blytheville, Arkansas 72315 to obtain financial statements.

**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](http://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, 2016, was \$952,862.

Net Pension Liability

The County's proportionate share of the collective net pension liability at June 30, 2016 (actuarial valuation date and measurement date), was \$8,765,579.

**8. Capital Assets**

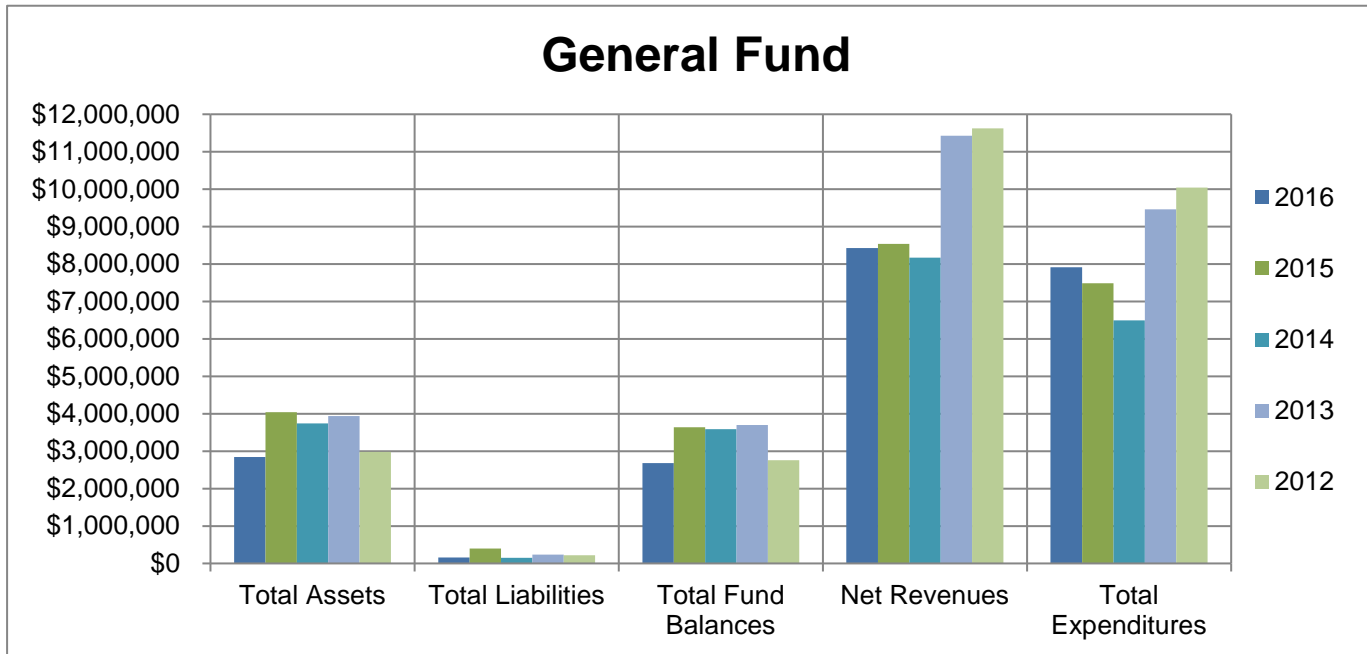
The County's capital assets records are summarized below :

	December 31, 2016
Land	\$ 3,007,018
Buildings	18,303,159
Equipment	9,333,028
Total	\$30,643,205

MISSISSIPPI COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
 DECEMBER 31, 2016  
 (UNAUDITED)

Schedule 3-1

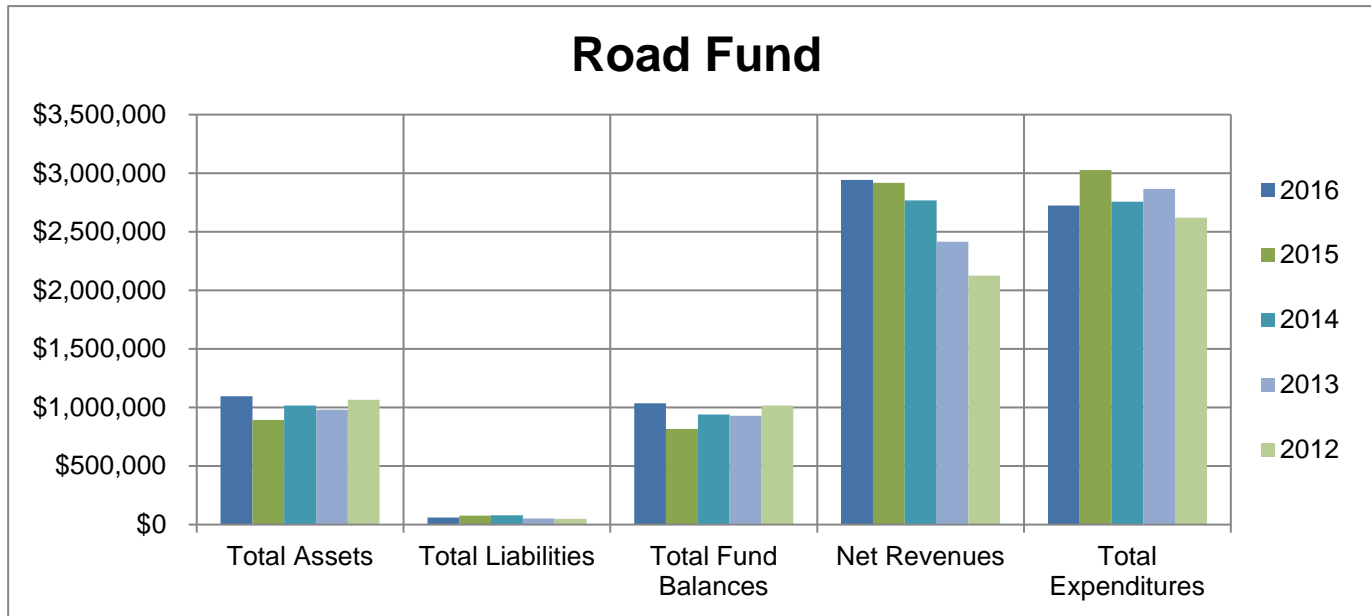
<b>General</b>	2016	2015	2014	2013	2012
Total Assets	\$ 2,841,286	\$ 4,036,554	\$ 3,743,557	\$ 3,934,339	\$ 2,979,037
Total Liabilities	156,981	396,905	153,788	238,511	217,798
Total Fund Balances	2,684,305	3,639,649	3,589,769	3,695,828	2,761,239
Net Revenues	8,429,988	8,536,955	8,171,406	11,423,838	11,623,343
Total Expenditures	7,910,257	7,482,438	6,492,921	9,458,422	10,044,534
Total Other Financing Sources/Uses	(1,475,075)	(1,059,182)	(1,615,233)	(1,030,827)	(106,757)



MISSISSIPPI COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
 DECEMBER 31, 2016  
 (UNAUDITED)

Schedule 3-2

<u>Road</u>	2016	2015	2014	2013	2012
Total Assets	\$ 1,096,327	\$ 892,283	\$ 1,017,041	\$ 980,335	\$ 1,066,950
Total Liabilities	60,979	75,559	78,173	51,995	50,303
Total Fund Balances	1,035,348	816,724	938,868	928,340	1,016,647
Net Revenues	2,943,664	2,918,291	2,766,321	2,414,881	2,126,489
Total Expenditures	2,725,040	3,026,495	2,755,793	2,865,994	2,619,589
Total Other Financing Sources/Uses		(13,940)		362,806	(15,710)



MISSISSIPPI COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
 DECEMBER 31, 2016  
 (UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	2016	2015	2014	2013	2012
Total Assets	\$ 9,186,071	\$ 8,488,615	\$ 9,083,202	\$ 13,780,069	\$ 13,662,654
Total Liabilities	1,988,847	5,271,624	4,503,511	1,932,228	3,169,162
Total Fund Balances	7,197,224	3,216,991	4,579,691	11,847,841	10,493,492
Net Revenues	13,688,076	13,919,151	11,183,037	8,600,032	9,237,923
Total Expenditures	10,166,701	14,188,701	19,690,154	7,724,303	9,466,407
Total Other Financing Sources/Uses	458,858	(1,088,576)	1,069,656	474,145	1,018,497

