

**Jefferson County, Arkansas**  
**Regulatory Basis Financial Statements**  
**and Other Reports**

**December 31, 2014**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas

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Senate Chair  
**Sen. Linda Chesterfield**  
Senate Vice Chair



**Rep. Mary Broadway**  
House Chair  
**Rep. Sue Scott**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

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

#### ***Report on the Financial Statements***

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Jefferson County, Arkansas, as of and for the year ended December 31, 2014, as listed in the table of contents, and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements permitted by the State of Arkansas.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Jefferson County, Arkansas, as of December 31, 2014, or the revenues, expenditures, and changes in net position and where applicable, cash flows, thereof for the year then ended.

#### ***Basis for Qualified Opinions on Regulatory Basis of Accounting***

The County's financial statements do not disclose all the required information concerning deposit and investment risks. In our opinion, disclosure of this information is required by the regulatory basis of accounting described in Note 1.

### **Qualified Opinions on Regulatory Basis of Accounting**

In our opinion, except for the omission of the information described in the "Basis for Qualified Opinions on Regulatory Basis of Accounting" paragraph, the financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Jefferson County, Arkansas, as of December 31, 2014, and the regulatory basis revenues, expenditures, and changes in net position, and the budgetary comparisons for the general fund and road fund for the year then ended in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

### **Supplementary and Other Information**

Our audit was conducted for the purpose of forming opinions on the accompanying regulatory basis financial statements. The accompanying supplementary information and other information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the omission of the information described above, the supplementary information is fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

The other information has not been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2016, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas  
February 11, 2016  
LOCO03514

# Arkansas

Sen. Jimmy Hickey, Jr.  
Senate Chair  
Sen. Linda Chesterfield  
Senate Vice Chair



Rep. Mary Broadway  
House Chair  
Rep. Sue Scott  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING, COMPLIANCE AND OTHER MATTERS,  
AND OTHER ISSUES BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

### INDEPENDENT AUDITOR'S REPORT

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

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Jefferson County, Arkansas, as of and for the year ended December 31, 2014, and the related notes to the financial statements, and have issued our report thereon dated February 11, 2016. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were qualified because required disclosures were not made concerning deposit and investment risks.

#### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency to be a material weakness:

2014-1 To ensure the proper safeguarding of assets, financial accounting duties relating to initiating, receipting, depositing, disbursing, and recording transactions should be distributed among appropriate employees. The County officials, as specified in the Other Issues section of this report, did not segregate these duties to sufficiently reduce the risks of fraud or error and properly safeguard the County's assets, because of limited financial resources. We recommend that the financial accounting duties in each office be segregated among employees to the extent possible.

The County officials, as specified in the Other Issues section of this report, responded and indicated that their offices will segregate the duties relating to initiating, receipting, depositing, disbursing, and recording transactions to the extent possible with the current staffing levels.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Entity's Response to Finding

The County's response to the finding identified in our audit is described above. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### Other Issues

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

The commentary contained in this section relates to the following officials that held office during 2014:

County Judge: Dutch King  
Treasurer: Elizabeth Rinchuso  
Sheriff: Gerald Robinson  
Tax Collector: Stephanie Stanton  
County Clerk: Patricia Johnson  
Circuit Clerk: Lafayette Woods Sr.  
Assessor: Yvonne Humphrey

Our audit procedures indicated that the Offices of **Treasurer, Tax Collector, Circuit Clerk, and Assessor** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the Offices of **County Judge, Sheriff, and County Clerk**.

#### **County Judge**

1. Improper disbursements totaling \$2,388 were noted during review of selected recycling expenditures for the period January 1, 2014 through May 4, 2015, as follows:
  - \$220 for shoes and clothing for employees participating in a parade.
  - \$625 for sponsorship of nonprofit corporate events and \$270 for Chamber of Commerce dues, in apparent conflict with Ark. Const. art. 12, § 5, as interpreted in Op. Att'y Gen. no. 1992-099.
  - \$420 for banners for non-county events.
  - \$645 for late payment fees and finance charges.
  - \$208 to credit card companies without adequate documentation; therefore, the validity of these disbursements could not be determined.

The County subsequently received reimbursements totaling \$177 from employees for shoes and clothing purchases.

2. The Quorum Court adopted a budget ordinance amendment in November 2014 that appropriated \$15,000 for overtime for County Clerk Office employees. This amendment conflicts with the County's personnel policy, adopted by Jefferson County Ordinance no. 1995-14 (February 13, 1995), which states that salaried employees shall receive compensatory time for work in excess of 40 hours per week. Ark. Code Ann. § 14-14-904(l) provides that ordinances may be amended and repealed only by subsequent ordinances. Similarly, Op. Att'y Gen. no. 1999-424 states that, in the absence of specific statutory authority to the contrary concerning the subject of a particular ordinance, county ordinances remain in effect until they have been repealed or amended by subsequent ordinances.

#### **Sheriff**

1. Sheriff's Bond and Fine and the Commissary account receipts were not deposited in a timely manner, as required by Ark. Code Ann. §§ 16-10-207, 14-25-103.
2. Reconciliations for all accounts were not prepared until time of audit and the Bond and Fine bank account was not properly reconciled, as required by Ark. Code Ann. §§ 14-25-107, 16-10-207.

#### **County Clerk**

1. Improper payroll payments and procedures were noted in the County Clerk's Office as follows:
  - County Clerk Patricia Johnson again paid her employees for overtime in violation of the County's personnel policy which requires that salaried employees receive compensatory time rather than payment for overtime worked. These overtime payments, which totaled \$13,331 in 2014, included \$4,637 in overpayments due to improper calculation of overtime hours. Johnson authorized a day off with pay for selected employees in her office in December 2014. This paid day off, referred to as a "shopping day," was not authorized by the Quorum Court.
2. The payroll bank account had unidentified funds totaling \$56,977 at December 31, 2014.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink that reads "Marti Steel". The signature is written in a cursive, flowing style.

Marti Steel, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
February 11, 2016

JEFFERSON COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2014

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,169,104	\$ 459,778	\$ 2,527,259
Investments	1,175,318	521,622	1,999,925
Accounts receivable	961,012	28,063	620,389
Interfund receivables	9,260		117,570
<b>TOTAL ASSETS</b>	<b>\$ 3,314,694</b>	<b>\$ 1,009,463</b>	<b>\$ 5,265,143</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 763,000	\$ 125,092	\$ 136,485
Interfund payables	105,570		21,260
Settlements pending			1,040,999
Total Liabilities	868,570	125,092	1,198,744
<b>Fund Balances:</b>			
Restricted	3,062	884,371	3,980,283
Assigned	1,212,050		89,708
Unassigned	1,231,012		(3,592)
Total Fund Balances	2,446,124	884,371	4,066,399
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 3,314,694</b>	<b>\$ 1,009,463</b>	<b>\$ 5,265,143</b>

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



JEFFERSON COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 1,107,827	\$ 2,609,542	\$ 473,103
Federal aid	153,933	1,252	230,084
Property taxes	4,082,613	1,544,112	549,307
Sales taxes	2,362,231		5,747,926
Fines, forfeitures, and costs	1,090,828		414,896
Interest	21,217	7,077	36,362
Officers' fees	317,181		310,890
Franchise fees	19,507		
Jail fees	2,508,013		
Recycling fees			351,930
Sanitation fees	1,391,149		
School district contributions			624,720
911 fees			1,476,280
Treasurer's commission	163,100		54,107
Collector's commission	944,318		104,924
Taxes apportioned - Assessor's salary and expense	741,360		
Other	894,885	49,420	214,061
	<u>15,798,162</u>	<u>4,211,403</u>	<u>10,588,590</u>
TOTAL REVENUES			
Less: Treasurer's commission	<u>116,218</u>	<u>33,602</u>	<u>42,676</u>
NET REVENUES	<u>15,681,944</u>	<u>4,177,801</u>	<u>10,545,914</u>
EXPENDITURES			
Current:			
General government	4,884,291		254,323
Law enforcement	11,504,015		986,766
Highways and streets		3,778,046	
Public safety	659,821		1,636,136
Sanitation	1,502,527		796,984
Health	77,507		
Recreation and culture	25,650		592,080
Social services	96,760		
Total Current	<u>18,750,571</u>	<u>3,778,046</u>	<u>4,266,289</u>

JEFFERSON COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2014

Exhibit B

	General	Road	Other Funds in the Aggregate
EXPENDITURES (Continued)			
Debt Service:			
Lease principal		\$ 60,697	\$ 19,400
Lease interest		4,785	787
Note principal	\$ 41,148	80,127	
Note interest	4,820	6,209	
TOTAL EXPENDITURES	18,796,539	3,929,864	4,286,476
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,114,595)	247,937	6,259,438
OTHER FINANCING SOURCES (USES)			
Transfers in	2,197,362		5,803
Transfers out	(2,063)		(2,201,102)
Sales tax remitted to Economic Development Corporation			(3,453,081)
TOTAL OTHER FINANCING SOURCES (USES)	2,195,299		(5,648,380)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(919,296)	247,937	611,058
FUND BALANCES - JANUARY 1	3,365,420	636,434	3,455,341
FUND BALANCES - DECEMBER 31	\$ 2,446,124	\$ 884,371	\$ 4,066,399

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

JEFFERSON 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, 2014

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 689,800	\$ 1,107,827	\$ 418,027	\$ 2,350,000	\$ 2,609,542	\$ 259,542
Federal aid	50,932	153,933	103,001		1,252	1,252
Property taxes	4,526,520	4,082,613	(443,907)	1,456,650	1,544,112	87,462
Sales taxes	2,290,000	2,362,231	72,231			
Fines, forfeitures, and costs	1,159,975	1,090,828	(69,147)			
Interest	16,900	21,217	4,317	4,500	7,077	2,577
Officers' fees	392,450	317,181	(75,269)			
Franchise fees	20,000	19,507	(493)			
Jail fees	1,970,452	2,508,013	537,561			
Sanitation fees	1,377,000	1,391,149	14,149			
Treasurer's commission	158,000	163,100	5,100			
Collector's commission	1,030,000	944,318	(85,682)			
Taxes apportioned - Assessor's salary and expense	671,000	741,360	70,360			
Other	1,611,240	894,885	(716,355)	419,191	49,420	(369,771)
<b>TOTAL REVENUES</b>	<b>15,964,269</b>	<b>15,798,162</b>	<b>(166,107)</b>	<b>4,230,341</b>	<b>4,211,403</b>	<b>(18,938)</b>
Less: Treasurer's commission		116,218	(116,218)		33,602	(33,602)
<b>NET REVENUES</b>	<b>15,964,269</b>	<b>15,681,944</b>	<b>(282,325)</b>	<b>4,230,341</b>	<b>4,177,801</b>	<b>(52,540)</b>
EXPENDITURES						
Current:						
General government	5,170,588	4,884,291	286,297			
Law enforcement	12,338,367	11,504,015	834,352			
Highways and streets				4,427,922	3,778,046	649,876
Public safety	453,616	659,821	(206,205)			
Sanitation	1,530,252	1,502,527	27,725			
Health	104,640	77,507	27,133			
Recreation and culture	25,650	25,650				
Social services	96,532	96,760	(228)			
<b>Total Current</b>	<b>19,719,645</b>	<b>18,750,571</b>	<b>969,074</b>	<b>4,427,922</b>	<b>3,778,046</b>	<b>649,876</b>

JEFFERSON 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, 2014

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES (Continued)						
Debt Service:						
Lease principal					\$ 60,697	\$ (60,697)
Lease interest					4,785	(4,785)
Note principal		\$ 41,148	\$ (41,148)		80,127	(80,127)
Note interest		4,820	(4,820)		6,209	(6,209)
TOTAL EXPENDITURES	\$ 19,719,645	18,796,539	923,106	\$ 4,427,922	3,929,864	498,058
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,755,376)	(3,114,595)	640,781	(197,581)	247,937	445,518
OTHER FINANCING SOURCES (USES)						
Transfers in	402,300	2,197,362	1,795,062			
Transfers out		(2,063)	(2,063)			
TOTAL OTHER FINANCING SOURCES (USES)	402,300	2,195,299	1,792,999			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,353,076)	(919,296)	2,433,780	(197,581)	247,937	445,518
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	2,471,415	3,365,420	894,005	800,000	636,434	(163,566)
FUND BALANCES - DECEMBER 31	\$ (881,661)	\$ 2,446,124	\$ 3,327,785	\$ 602,419	\$ 884,371	\$ 281,952

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

JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 1: Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County.

**B. Basis of Presentation - Regulatory Fund Accounting**

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

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

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

**General Fund** - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund heading as it appears in the financial statements includes the following accounts: County General, Jefferson County Department of Corrections Sales Proceeds, Drug Task Force, Sanitation, Adult Jail, Jefferson County 1992-A Escrow, Sales Tax/Public Safety, Family in Need of Service and Truancy, Environmental Enforcement Officer, Juvenile Justice, District Court, Insurance, and Organized Crime Drug Enforcement Task Force.

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

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

**Special Revenue Funds** - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following Special Revenue Funds are reported with other funds in the aggregate: Assessor's Amendment no. 79, Communication Facility and Equipment, Juvenile Justice, Recycling, Indigent Defense, Judicial Enhancement, Prosecuting Attorney, District Court Cost, Support Collection Cost, Boating Safety, Recorder's Cost, Jail Operation (Detention M&O, Detention Reserve, and Jail Operations), Emergency 911, Library, Tax Collector's Cost, Fire Equipment and Training (Act 833), Treasurer's Automation, Economic Development, Juvenile Justice Education, County Clerk's Cost, Voting Systems Grant, Circuit Court Automation, Reappraisal, Courthouse Security Grant, Arkansas Fish and Wildlife, Drug Court, Justice Equitable Sharing Program, E-waste Grant, Circuit Clerk Commissioner's Fee, Victims of Crime, Waste Tire Facility Closure, and Emergency Vehicle.

**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 following Capital Projects Funds are reported with other funds in the aggregate: Jefferson County Construction, Local Citizens Corps Grant, and Law Enforcement Terrorism Prevention Program (LETPP).

**Agency Funds** - Agency Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The following Agency Funds are reported with other funds in the aggregate: Treasurer's Accounts – Administration of Justice, Law Library, and Improvement Districts; Collector's Accounts – Current and Delinquent Tax; Sheriff's Accounts – Bond and Fines and Commissary; County Clerk's Accounts – Fees, Payroll, and Trust; Circuit Clerk's Accounts – Fees and Trust; Juvenile Court Accounts – Juvenile Court and Juvenile Justice Center; and Sanitation Account – Sanitation Department.

JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**C. Basis of Accounting**

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

**D. Assets, Liabilities, and Fund Balances**

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit.

Investments

Investments are reported at cost.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, property taxes, officer's fees, trust funds, payroll taxes, and sanitation fees that have not been transferred to the appropriate entities.

Fund Balance Classifications

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

**E. Property Taxes**

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

**F. Budget Law**

1. Legal Requirements

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

JEFFERSON COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2014

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**F. Budget Law (Continued)**

2. Accounting

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

**G. Fund Balance Classification Policies and Procedures**

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

The County does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The County does not have a policy addressing which resources to use within the unrestricted fund balance when committed, assigned, or unassigned fund balances are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

There were no committed fund balances at year-end.

**NOTE 2: Cash and Investments**

Deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk have not been provided as required by Governmental Accounting Standards Board Statement no. 40.

**NOTE 3: Legal or Contractual Provisions for Deposits and Investments**

State law generally requires that county funds be deposited in federally insured banks located in the State of Arkansas. The county deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of not longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.

**NOTE 4: Public Fund Investments**

A summary of investments by fund types is as follows:

Fund Type	December 31, 2014	
	Reported Amount	Fair Value
General	\$ 1,175,318	\$ 1,142,140
Road	521,622	506,898
Other Funds in the Aggregate	1,999,925	1,943,471
Totals	<u>\$ 3,696,865</u>	<u>\$ 3,592,509</u>

JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 4: Public Fund Investments (Continued)**

These investments are composed of the following:

Investment Type	December 31, 2014	
	Reported Amount	Fair Value
Treasury Notes and Mortgage backed securities	<u>\$ 3,696,865</u>	<u>\$ 3,592,509</u>

**NOTE 5: Accounts Receivable**

The accounts receivable balance at December 31, 2014, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 5,104		\$ 26,334
Federal aid	18,650		
Property taxes	60,803	\$ 11,535	
Sales taxes	188,004		457,462
Fines, forfeitures, and costs	67,989		23,323
Officer fees	12,639		32,106
Franchise tax	13,305		
Jail fees	432,923		
Recycling fees			25,979
Sanitation fees	116,240		
911 fees			55,185
Other	45,355	16,528	
Totals	\$ 961,012	\$ 28,063	\$ 620,389

**NOTE 6: Accounts Payable**

The accounts payable balance at December 31, 2014, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 763,000</u>	<u>\$ 125,092</u>	<u>\$ 136,485</u>



JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 7: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2014	
	Interfund Receivables	Interfund Payables
General	\$ 9,260	\$ 105,570
Other Funds in the Aggregate:		
Special Revenue Funds:		
Recycling	12,000	
Jail Operation	105,570	
Juvenile Justice Education		9,260
E-Waste Grant		12,000
<b>Totals</b>	<b>\$ 126,830</b>	<b>\$ 126,830</b>

Interfund receivables and payables consist of errors in depositing restricted revenues and interfund loans. These balances were repaid in 2015.

**NOTE 8: Legal Debt Limit**

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2014, the legal debt limit for bonded debt was \$70,666,282. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2014, the legal debt limit for short-term financing obligations was \$21,363,980. The amount of short-term financing obligations was \$446,631 leaving a legal debt margin of \$20,917,349.

**NOTE 9: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2014, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
<b>Fund Balances</b>			
Restricted for:			
General government			\$ 599,228
Law enforcement			1,676,577
Highways and streets		\$ 884,371	
Public safety			942,959
Sanitation	\$ 3,062		4,926
Capital outlay			
Recreation and culture			756,593
<b>Total Restricted</b>	<b>3,062</b>	<b>884,371</b>	<b>3,980,283</b>
Assigned to:			
General government	100,893		
Law enforcement	1,038,003		
Sanitation	73,154		79,210
Capital projects			10,498
<b>Total Assigned</b>	<b>1,212,050</b>		<b>89,708</b>
Unassigned	1,231,012		(3,592)
<b>Totals</b>	<b>\$ 2,446,124</b>	<b>\$ 884,371</b>	<b>\$ 4,066,399</b>

JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 10: Deficit Fund Balance**

The following fund has a deficit fund balance as of December 31, 2014:

	December 31, 2014
Victims of Crime	\$ (3,592)

**NOTE 11: Commitments**

Total commitments consist of the following at December 31, 2014:

	December 31, 2014
Long-term liabilities	\$ 1,167,315

Long-term Liabilities

Long-term liabilities at December 31, 2014, are comprised of the following:

	December 31, 2014
Lease-purchase agreement with Scott Financial Services, LLC for a 2002 Caterpillar 140H motor grader; nine semiannual payments of \$18,557 through May 2016; interest at 4.5%. Payments are to be made from the Road Fund.	\$ 53,229
Lease-purchase agreement with BancorpSouth Equipment Finance for a 2002 Caterpillar 12H motor grader; eight semiannual payments of \$14,184 through May 2015; interest at 3.49%. Payments are to be made from the Road Fund.	13,940
Promissory note with Relyance Bank for courthouse HVAC system; 60 monthly payments of \$3,831 through August 2018; interest at 2.6%. Payments are to be made from the General Fund.	160,486
Promissory note with Simmons First National Bank for 2008 Gradall excavator; three annual payments of \$36,829 with a final payment of \$36,740 due each February through 2017. Payments are to be made from the Road Fund.	104,350
Promissory note with Simmons First National Bank for 2001 Caterpillar paver; three annual payments of \$21,350 with a final payment of \$21,265 due each February through 2017. Payments are to be made from the Road Fund.	60,462
Promissory note with Relyance Bank for three Mack trucks; three annual payments of \$28,157 due each February through 2016. Payments are to be made from the Road Fund.	54,164
Compensated absences	720,684
Total Long-term liabilities	\$ 1,167,315

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

JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 11: Commitments (Continued)**

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, 2014:

Years Ending December 31,	Notes	Leases	Total
2015	\$ 132,304	\$ 51,298	\$ 183,602
2016	132,304	18,557	150,861
2017	103,973		103,973
2018	30,645		30,645
Total Obligations	399,226	69,855	469,081
Less Interest	19,764	2,686	22,450
Total Principal	<u>\$ 379,462</u>	<u>\$ 67,169</u>	<u>\$ 446,631</u>

**NOTE 12: Interfund Transfers**

The General Fund transferred \$2,063 to Other Funds in the Aggregate (Justice Equitable Sharing Program) to correct a prior year recording error. The Other Funds in the Aggregate transferred \$2,197,362 to the General Fund for reimbursements, jail operations, and to close the Reappraisal Fund. Within the Other Funds in the Aggregate, Recycling transferred \$3,740 to Waste Tire Facility Closure to establish the fund.

**NOTE 13: Related Party Transactions**

The Quorum Court approved Jefferson County Ordinance no. 2011-13 (January 10, 2011) to authorize conducting business with Delta Computer Experts, owned by Justice of the Peace Lloyd Franklin. In 2014, the County paid the business \$33,287.

**NOTE 14: Joint Venture: Pine Bluff and Jefferson County Library System**

Jefferson County and the City of Pine Bluff entered into an agreement in August 1979, in accordance with Ark. Code Ann. §§ 25-20-101, -108, to establish a library system for the Jefferson County, Arkansas area. The Pine Bluff and Jefferson County Library System is composed of five members appointed by the Jefferson County Judge with Quorum Court approval and six members appointed by the Mayor of Pine Bluff and ratified by the City Council. Title to fixed assets held by the constituent governmental units and used for library purposes at the time of the execution of this agreement shall remain unchanged, although additional assets may be acquired in the name of the Pine Bluff and Jefferson County Library System. The Board shall fix the number of and salaries of employees of the system. The County paid the Pine Bluff and Jefferson County Library System \$580,810 in 2014. Separate financial statements are available at 200 East Eighth Street, Pine Bluff, Arkansas 71601.

**NOTE 15: Jointly Governed Organizations**

Tri-County Drug Task Force

The Sheriff's Departments of Arkansas, Jefferson, and Lincoln Counties and the Prosecuting Attorney's Offices of the Eleventh-East and Eleventh-West Judicial Districts entered into an agreement to establish the Tri-County Drug Task Force. The agreement covers the period July 1, 2014 to June 30, 2015, and may be extended upon written mutual agreement. Funding was provided through a Drug Law Enforcement Program grant applied for by the Tri-County Drug Task Force. No contributions or payments for expenditures were made to the Tri-County Drug Task Force by the County. The 2014 financial statements of the Tri-County Drug Task Force have not been audited.

JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 15: Jointly Governed Organizations (Continued)**

Southeast Arkansas Regional Solid Waste Management District

Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, and Lincoln Counties entered into an agreement in 1991 to form the Southeast Arkansas Regional Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-703. The County did not provide any funding for the Southeast Arkansas Regional Solid Waste Management District. Separate financial statements may be obtained at P.O. Box 6806, Pine Bluff, Arkansas 71611.

**NOTE 16: Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and participation in a public entity risk pool. The amount of settlements, if any, has not exceeded the insurance coverage for each of the past three years. There were no significant reductions in insurance coverage in the major categories of risk from coverage in the prior year.

The County participates in the Association of Arkansas Counties Program (public entity risk pools) for coverage in the following area:

Workers' Compensation - This program provides statutory benefits for losses incurred by County officials, employees, and volunteer fire fighters while performing work for the County. Rates for counties participating in this program are revised annually based on the cost experience of the particular county or group as determined by the Workers' Compensation Commission.

The County participates in the Arkansas Public Entities Risk Management Association (APERMA) public entity risk pool for coverage in the following areas:

Building and Contents Program - This program is a blanket policy with coverage up to \$100,000,000 for any one loss with a \$500 deductible. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county property.

Vehicle Program

A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment for in-state claims is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident (\$100,000 respectively for out-of-state claims). The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.

B. Physical Damage - This program covers vehicles and mobile equipment which are the property of the participating county. Property is valued at the cost to repair or replace the property after deduction for depreciation. Loss amounts will be reduced by the deductible amount of \$1,000 for Sheriff's Department vehicles and \$500 for all other covered vehicles and mobile equipment. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 per case with an annual aggregate of \$350,000. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for this coverage.

The County also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$250,000 or the amount of the bond. Premiums for coverage are determined by the State Risk Manager and approved by the Board. These premiums are paid by the State Treasurer from funds withheld from the County Aid Fund. There is a \$2,500 deductible per occurrence.

JEFFERSON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2014

**NOTE 17: Arkansas Public Employees Retirement System**

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS 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 PERS. 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

PERS has contributory and non-contributory plans. Contributory members are required by code to contribute 5% of their salary. Each participating employer is required by code 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 December 31, 2014 were \$1,703,362.

**NOTE 18: Tax Collector's Commission**

Collector's commission is based on a special agreement between the County and the other taxing units. The commission rates are 2% for school districts and improvement districts and 3% for cities and county accounts based on a 1983 county court order. Excess commissions are transferred into the General Fund pursuant to the provisions of Act 86 of 1975.

**NOTE 19: Landfill Lease Agreement**

The County entered into a lease agreement for the operation of a county landfill with Waste Management of Arkansas, Inc., on July 13, 1990. The County covenants to lessee and the City of Pine Bluff, Arkansas, that the County will provide at the premises a minimum of 20 years of disposal capacity for the Arkansas Solid Waste Planning District which includes the premises. Lessee shall lease the premises from the commencement of the lease and so long thereafter as lessee continues active landfill operations at the premises, or diligently pursues permits and licenses for such operations. Lessee shall pay a monthly rental of \$5,000, a monthly rental (base rental) equal to an assessment of each yard of waste material generated by public or private entities located outside Jefferson County, plus an annual \$20,000 grant to be applied to support recycling, environmental education and countywide beautification, and environmental protection and improvement programs. Waste Management is required to pay all closure and post closure costs.

**NOTE 20: Hospital Lease Agreement**

On December 11, 1959, Jefferson County, Arkansas, entered into a lease agreement with Jefferson Hospital Association, Inc., a not-for-profit Arkansas corporation. The lease agreement stipulates that Jefferson County leases the hospital real estate and personal property. In 2001, the lease agreement was extended until December 11, 2040, for \$1 per year. Jefferson Hospital Association, Inc., assumes all rights and responsibilities for the operation of the hospital and related ancillary facilities and all obligations of the revenue bonds.

JEFFERSON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

SPECIAL REVENUE FUNDS										
	Assessor's Amendment no. 79	Communication Facility and Equipment	Juvenile Justice	Recycling	Indigent Defense	Judicial Enhancement	Prosecuting Attorney	District Court Cost	Support Collection Cost	Boating Safety
<b>ASSETS</b>										
Cash and cash equivalents	\$ 23,224	\$ 64,590	\$ 31,855	\$ 33,038	\$ 69,827	\$ 27,528	\$ 32,697	\$ 6,576	\$ 623	\$ 7,025
Investments	26,348		36,140	37,482	79,219	31,231	37,096	7,461	707	7,970
Accounts receivable		2,736	7,519	38,604	4,293		1,904	1,169	99	
Interfund receivables				12,000						
<b>TOTAL ASSETS</b>	<b><u>\$ 49,572</u></b>	<b><u>\$ 67,326</u></b>	<b><u>\$ 75,514</u></b>	<b><u>\$ 121,124</u></b>	<b><u>\$ 153,339</u></b>	<b><u>\$ 58,759</u></b>	<b><u>\$ 71,697</u></b>	<b><u>\$ 15,206</u></b>	<b><u>\$ 1,429</u></b>	<b><u>\$ 14,995</u></b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts payable				\$ 41,914	\$ 5,218					
Interfund payables										
Settlements pending										
<b>Total Liabilities</b>				<b><u>41,914</u></b>	<b><u>5,218</u></b>					
<b>Fund Balances:</b>										
Restricted	\$ 49,572	\$ 67,326	\$ 75,514		148,121	\$ 58,759	\$ 71,697	\$ 15,206	\$ 1,429	\$ 14,995
Assigned				79,210						
Unassigned										
<b>Total Fund Balances</b>	<b><u>49,572</u></b>	<b><u>67,326</u></b>	<b><u>75,514</u></b>	<b><u>79,210</u></b>	<b><u>148,121</u></b>	<b><u>58,759</u></b>	<b><u>71,697</u></b>	<b><u>15,206</u></b>	<b><u>1,429</u></b>	<b><u>14,995</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 49,572</u></b>	<b><u>\$ 67,326</u></b>	<b><u>\$ 75,514</u></b>	<b><u>\$ 121,124</u></b>	<b><u>\$ 153,339</u></b>	<b><u>\$ 58,759</u></b>	<b><u>\$ 71,697</u></b>	<b><u>\$ 15,206</u></b>	<b><u>\$ 1,429</u></b>	<b><u>\$ 14,995</u></b>

JEFFERSON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

SPECIAL REVENUE FUNDS										
	Recorder's Cost	Jail Operation (Detention M & O, Detention Reserve and Jail Operations)	Emergency 911	Library	Tax Collector's Cost	Fire Equipment and Training (Act 833)	Treasurer's Automation	Economic Development	Juvenile Justice Education	County Clerk's Cost
<b>ASSETS</b>										
Cash and cash equivalents	\$ 47,121	\$ 287,228	\$ 404,629	\$ 349,171	\$ 51,410	\$ 28,114	\$ 7,694		\$ 129,888	\$ 12,266
Investments	53,459	325,863	459,055	396,137	58,325	31,896	8,729		147,359	13,916
Accounts receivable	24,218	193,326	55,185					\$ 274,477		1,129
Interfund receivables		105,570								
<b>TOTAL ASSETS</b>	<b><u>\$ 124,798</u></b>	<b><u>\$ 911,987</u></b>	<b><u>\$ 918,869</u></b>	<b><u>\$ 745,308</u></b>	<b><u>\$ 109,735</u></b>	<b><u>\$ 60,010</u></b>	<b><u>\$ 16,423</u></b>	<b><u>\$ 274,477</u></b>	<b><u>\$ 277,247</u></b>	<b><u>\$ 27,311</u></b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts payable	\$ 2,351		\$ 50,918		\$ 4,130		\$ 1,644		\$ 21,960	
Interfund payables									9,260	
Settlements pending										
<b>Total Liabilities</b>	<b><u>2,351</u></b>		<b><u>50,918</u></b>		<b><u>4,130</u></b>		<b><u>1,644</u></b>		<b><u>31,220</u></b>	
<b>Fund Balances:</b>										
Restricted	122,447	\$ 911,987	867,951	\$ 745,308	105,605	\$ 60,010	14,779	\$ 274,477	246,027	\$ 27,311
Assigned										
Unassigned										
<b>Total Fund Balances</b>	<b><u>122,447</u></b>	<b><u>911,987</u></b>	<b><u>867,951</u></b>	<b><u>745,308</u></b>	<b><u>105,605</u></b>	<b><u>60,010</u></b>	<b><u>14,779</u></b>	<b><u>274,477</u></b>	<b><u>246,027</u></b>	<b><u>27,311</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 124,798</u></b>	<b><u>\$ 911,987</u></b>	<b><u>\$ 918,869</u></b>	<b><u>\$ 745,308</u></b>	<b><u>\$ 109,735</u></b>	<b><u>\$ 60,010</u></b>	<b><u>\$ 16,423</u></b>	<b><u>\$ 274,477</u></b>	<b><u>\$ 277,247</u></b>	<b><u>\$ 27,311</u></b>

JEFFERSON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

SPECIAL REVENUE FUNDS										
	Circuit Court Automation	Courthouse Security Grant	Arkansas Fish and Wildlife	Drug Court	Justice Equitable Sharing Program	E-waste Grant	Circuit Clerk Commissioner's Fee	Victims of Crime	Waste Tire Facility Closure	Emergency Vehicle
<b>ASSETS</b>										
Cash and cash equivalents	\$ 14,058	\$ 1		\$ 10,910	\$ 13,580	\$ 6,181	\$ 1,674		\$ 1,752	
Investments	15,949	2		12,377	15,407	7,012	1,899		1,988	
Accounts receivable	676		\$ 11,285	305		2,424	35			\$ 1,005
Interfund receivables										
<b>TOTAL ASSETS</b>	<b>\$ 30,683</b>	<b>\$ 3</b>	<b>\$ 11,285</b>	<b>\$ 23,592</b>	<b>\$ 28,987</b>	<b>\$ 15,617</b>	<b>\$ 3,608</b>		<b>\$ 3,740</b>	<b>\$ 1,005</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts payable	\$ 1,798			\$ 529		\$ 2,431		\$ 3,592		
Interfund payables						12,000				
Settlements pending										
<b>Total Liabilities</b>	<b>1,798</b>			<b>529</b>		<b>14,431</b>		<b>3,592</b>		
<b>Fund Balances:</b>										
Restricted	28,885	\$ 3	\$ 11,285	23,063	\$ 28,987	1,186	\$ 3,608		\$ 3,740	\$ 1,005
Assigned										
Unassigned								(3,592)		
<b>Total Fund Balances</b>	<b>28,885</b>	<b>3</b>	<b>11,285</b>	<b>23,063</b>	<b>28,987</b>	<b>1,186</b>	<b>3,608</b>	<b>(3,592)</b>	<b>3,740</b>	<b>1,005</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 30,683</b>	<b>\$ 3</b>	<b>\$ 11,285</b>	<b>\$ 23,592</b>	<b>\$ 28,987</b>	<b>\$ 15,617</b>	<b>\$ 3,608</b>	<b>\$ 0</b>	<b>\$ 3,740</b>	<b>\$ 1,005</b>



JEFFERSON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2014

Schedule 1

	AGENCY FUNDS								Totals
	CAPITAL PROJECTS FUND	Jefferson County Construction	Treasurer's Accounts	Collector's Account	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Juvenile Court Accounts	
<b>ASSETS</b>									
Cash and cash equivalents	\$ 4,918	\$ 159,821	\$ 9,314	\$ 93,889	\$ 148,687	\$ 337,048	\$ 388	\$ 110,534	\$ 2,527,259
Investments	5,580	181,318							1,999,925
Accounts receivable									620,389
Interfund receivables									117,570
<b>TOTAL ASSETS</b>	<u>\$ 10,498</u>	<u>\$ 341,139</u>	<u>\$ 9,314</u>	<u>\$ 93,889</u>	<u>\$ 148,687</u>	<u>\$ 337,048</u>	<u>\$ 388</u>	<u>\$ 110,534</u>	<u>\$ 5,265,143</u>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable									\$ 136,485
Interfund payables									21,260
Settlements pending		\$ 341,139	\$ 9,314	\$ 93,889	\$ 148,687	\$ 337,048	\$ 388	\$ 110,534	1,040,999
Total Liabilities		<u>341,139</u>	<u>9,314</u>	<u>93,889</u>	<u>148,687</u>	<u>337,048</u>	<u>388</u>	<u>110,534</u>	<u>1,198,744</u>
Fund Balances:									
Restricted									3,980,283
Assigned	\$ 10,498								89,708
Unassigned									(3,592)
Total Fund Balances	<u>10,498</u>								<u>4,066,399</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 10,498</u>	<u>\$ 341,139</u>	<u>\$ 9,314</u>	<u>\$ 93,889</u>	<u>\$ 148,687</u>	<u>\$ 337,048</u>	<u>\$ 388</u>	<u>\$ 110,534</u>	<u>\$ 5,265,143</u>

JEFFERSON 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, 2014

Schedule 2

SPECIAL REVENUE FUNDS

	Assessor's Amendment no. 79	Communication Facility and Equipment	Juvenile Justice	Recycling	Indigent Defense	Judicial Enhancement	Prosecuting Attorney	District Court Cost	Support Collection Cost
REVENUES									
State aid	\$ 7,820			\$ 200,436	\$ 3,641				
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs			\$ 45,329		56,381	\$ 58,244	\$ 81,288	\$ 14,025	
Interest	689	\$ 174	872	932	2,028	519	694	126	\$ 11
Officers' fees		58,315	74,141						1,366
Recycling fees				351,930					
School district contributions									
911 fees									
Treasurer's commission									
Collector's commission									
Other	102		1,447	185,930	1,141	6	285	169	16
<b>TOTAL REVENUES</b>	<b>8,611</b>	<b>58,489</b>	<b>121,789</b>	<b>739,228</b>	<b>63,191</b>	<b>58,769</b>	<b>82,267</b>	<b>14,320</b>	<b>1,393</b>
Less: Treasurer's commission	170		2,418	699	1,072	10	477	283	26
<b>NET REVENUES</b>	<b>8,441</b>	<b>58,489</b>	<b>119,371</b>	<b>738,529</b>	<b>62,119</b>	<b>58,759</b>	<b>81,790</b>	<b>14,037</b>	<b>1,367</b>
EXPENDITURES									
Current:									
General government	5,300								382
Law enforcement		86,390	109,067		56,527		14,289	14,018	
Public safety									
Sanitation				752,392					
Recreation and culture									
Total Current	5,300	86,390	109,067	752,392	56,527		14,289	14,018	382
Debt Service:									
Lease principal				19,400					
Lease interest				787					
<b>TOTAL EXPENDITURES</b>	<b>5,300</b>	<b>86,390</b>	<b>109,067</b>	<b>772,579</b>	<b>56,527</b>		<b>14,289</b>	<b>14,018</b>	<b>382</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,141	(27,901)	10,304	(34,050)	5,592	58,759	67,501	19	985
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out				(3,740)		(59,624)	(50,000)		
Sales tax remitted to Economic Development Corporation									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>				<b>(3,740)</b>		<b>(59,624)</b>	<b>(50,000)</b>		
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,141	(27,901)	10,304	(37,790)	5,592	(865)	17,501	19	985
FUND BALANCES - JANUARY 1	46,431	95,227	65,210	117,000	142,529	59,624	54,196	15,187	444
FUND BALANCES - DECEMBER 31	\$ 49,572	\$ 67,326	\$ 75,514	\$ 79,210	\$ 148,121	\$ 58,759	\$ 71,697	\$ 15,206	\$ 1,429

JEFFERSON 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, 2014

Schedule 2

SPECIAL REVENUE FUNDS									
	Boating Safety	Recorder's Cost	Jail Operation (Detention M & O, Detention Reserve and Jail Operations)	Emergency 911	Library	Tax Collector's Cost	Fire Equipment and Training (Act 833)	Treasurer's Automation	Economic Development
REVENUES									
State aid	\$ 4,997			\$ 12,000	\$ 65,828		\$ 94,714		
Federal aid									
Property taxes					549,307				
Sales taxes			\$ 2,299,170						\$ 3,448,756
Fines, forfeitures, and costs			125,964						
Interest	40	\$ 621	3,613	10,710	10,065	\$ 781		\$ 136	
Officers' fees		157,519							
Recycling fees									
School district contributions									
911 fees				1,476,280					
Treasurer's commission								54,107	
Collector's commission						104,924			
Other	2	1,669		11,647		1,265		2	
<b>TOTAL REVENUES</b>	<b>5,039</b>	<b>159,809</b>	<b>2,428,747</b>	<b>1,510,637</b>	<b>625,200</b>	<b>106,970</b>	<b>94,714</b>	<b>54,245</b>	<b>3,448,756</b>
Less: Treasurer's commission	3	2,787	19,509	7,192	5,067	2,114		3	
<b>NET REVENUES</b>	<b>5,036</b>	<b>157,022</b>	<b>2,409,238</b>	<b>1,503,445</b>	<b>620,133</b>	<b>104,856</b>	<b>94,714</b>	<b>54,242</b>	<b>3,448,756</b>
EXPENDITURES									
Current:									
General government		70,598				80,209		65,137	
Law enforcement									
Public safety	1,015			1,386,626			94,714		
Sanitation									
Recreation and culture					580,810				
Total Current	1,015	70,598		1,386,626	580,810	80,209	94,714	65,137	
Debt Service:									
Lease principal									
Lease interest									
<b>TOTAL EXPENDITURES</b>	<b>1,015</b>	<b>70,598</b>		<b>1,386,626</b>	<b>580,810</b>	<b>80,209</b>	<b>94,714</b>	<b>65,137</b>	
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>4,021</b>	<b>86,424</b>	<b>2,409,238</b>	<b>116,819</b>	<b>39,323</b>	<b>24,647</b>		<b>(10,895)</b>	<b>3,448,756</b>
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out			(2,063,839)						
Sales tax remitted to Economic Development Corporation									(3,453,081)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			<b>(2,063,839)</b>						<b>(3,453,081)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>4,021</b>	<b>86,424</b>	<b>345,399</b>	<b>116,819</b>	<b>39,323</b>	<b>24,647</b>		<b>(10,895)</b>	<b>(4,325)</b>
FUND BALANCES - JANUARY 1	10,974	36,023	566,588	751,132	705,985	80,958	60,010	25,674	278,802
FUND BALANCES - DECEMBER 31	<b>\$ 14,995</b>	<b>\$ 122,447</b>	<b>\$ 911,987</b>	<b>\$ 867,951</b>	<b>\$ 745,308</b>	<b>\$ 105,605</b>	<b>\$ 60,010</b>	<b>\$ 14,779</b>	<b>\$ 274,477</b>

JEFFERSON 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, 2014

Schedule 2

SPECIAL REVENUE FUNDS									
	Juvenile Justice Education	County Clerk's Cost	Voting Systems Grant	Circuit Court Automation	Reappraisal	Courthouse Security Grant	Arkansas Fish and Wildlife	Drug Court	Justice Equitable Sharing Program
REVENUES									
State aid			\$ 15,368			\$ 11,060	\$ 11,285		
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs				\$ 14,839				\$ 2,865	\$ 14,956
Interest	\$ 2,814	\$ 293		398				284	
Officers' fees		16,824							
Recycling fees									
School district contributions	624,720								
911 fees									
Treasurer's commission									
Collector's commission									
Other	33	207		183				9,913	
<b>TOTAL REVENUES</b>	<b>627,567</b>	<b>17,324</b>	<b>15,368</b>	<b>15,420</b>		<b>11,060</b>	<b>11,285</b>	<b>13,062</b>	<b>14,956</b>
Less: Treasurer's commission	56	346		307				63	
<b>NET REVENUES</b>	<b>627,511</b>	<b>16,978</b>	<b>15,368</b>	<b>15,113</b>		<b>11,060</b>	<b>11,285</b>	<b>12,999</b>	<b>14,956</b>
EXPENDITURES									
Current:									
General government		14,989	15,368		\$ 2,340				
Law enforcement	533,925			11,977				4,543	
Public safety						11,115			
Sanitation									
Recreation and culture							11,270		
Total Current	533,925	14,989	15,368	11,977	2,340	11,115	11,270	4,543	
Debt Service:									
Lease principal									
Lease interest									
<b>TOTAL EXPENDITURES</b>	<b>533,925</b>	<b>14,989</b>	<b>15,368</b>	<b>11,977</b>	<b>2,340</b>	<b>11,115</b>	<b>11,270</b>	<b>4,543</b>	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	93,586	1,989		3,136	(2,340)	(55)	15	8,456	14,956
OTHER FINANCING SOURCES (USES)									
Transfers in									2,063
Transfers out					(23,899)				
Sales tax remitted to Economic Development Corporation									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>					<b>(23,899)</b>				<b>2,063</b>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	93,586	1,989		3,136	(26,239)	(55)	15	8,456	17,019
FUND BALANCES - JANUARY 1	152,441	25,322		25,749	26,239	58	11,270	14,607	11,968
FUND BALANCES - DECEMBER 31	<b>\$ 246,027</b>	<b>\$ 27,311</b>	<b>\$ 0</b>	<b>\$ 28,885</b>	<b>\$ 0</b>	<b>\$ 3</b>	<b>\$ 11,285</b>	<b>\$ 23,063</b>	<b>\$ 28,987</b>

JEFFERSON 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, 2014

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS			Totals
	E-waste Grant	Circuit Clerk Commissioner's Fee	Victims of Crime	Waste Tire Facility Closure	Emergency Vehicle	Jefferson County Construction	Local Citizens Corps Grant	Law Enforcement Terrorism Prevention Program (LETPP)	
REVENUES									
State aid	\$ 45,954								\$ 473,103
Federal aid			\$ 87,418				\$ 2,372	\$ 140,294	230,084
Property taxes									549,307
Sales taxes									5,747,926
Fines, forfeitures, and costs					\$ 1,005				414,896
Interest		\$ 249				\$ 313			36,362
Officers' fees		2,725							310,890
Recycling fees									351,930
School district contributions									624,720
911 fees									1,476,280
Treasurer's commission									54,107
Collector's commission									104,924
Other		41				3			214,061
<b>TOTAL REVENUES</b>	<b>45,954</b>	<b>3,015</b>	<b>87,418</b>		<b>1,005</b>	<b>316</b>	<b>2,372</b>	<b>140,294</b>	<b>10,588,590</b>
Less: Treasurer's commission		68				6			42,676
<b>NET REVENUES</b>	<b>45,954</b>	<b>2,947</b>	<b>87,418</b>		<b>1,005</b>	<b>310</b>	<b>2,372</b>	<b>140,294</b>	<b>10,545,914</b>
EXPENDITURES									
Current:									
General government									254,323
Law enforcement			101,653			54,377			986,766
Public safety							2,372	140,294	1,636,136
Sanitation	44,592								796,984
Recreation and culture									592,080
Total Current	44,592		101,653			54,377	2,372	140,294	4,266,289
Debt Service:									
Lease principal									19,400
Lease interest									787
<b>TOTAL EXPENDITURES</b>	<b>44,592</b>		<b>101,653</b>			<b>54,377</b>	<b>2,372</b>	<b>140,294</b>	<b>4,286,476</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,362	2,947	(14,235)		1,005	(54,067)			6,259,438
OTHER FINANCING SOURCES (USES)									
Transfers in				\$ 3,740					5,803
Transfers out									(2,201,102)
Sales tax remitted to Economic Development Corporation									(3,453,081)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>				<b>3,740</b>					<b>(5,648,380)</b>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,362	2,947	(14,235)	3,740	1,005	(54,067)			611,058
FUND BALANCES - JANUARY 1	(176)	661	10,643			64,565			3,455,341
FUND BALANCES - DECEMBER 31	<b>\$ 1,186</b>	<b>\$ 3,608</b>	<b>\$ (3,592)</b>	<b>\$ 3,740</b>	<b>\$ 1,005</b>	<b>\$ 10,498</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,066,399</b>

JEFFERSON COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Arkansas Constitution, Amendment no. 79.
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.
Juvenile Justice	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.
Recycling	Jefferson County Ordinance no. 1995-34 (May 8, 1995) established fund for the recording of receipts and disbursements for recycling operations. The fund also receives state aid restricted for recycling.
Indigent Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court; defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.
Judicial Enhancement	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for court personnel and equipment.
Prosecuting Attorney	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes district court filing fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
Support Collection Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Boating Safety	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.

JEFFERSON COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
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 automated records system.
Jail Operation (Detention M & O, Detention Reserve and Jail Operations)	Jefferson County Ordinance nos. 2003-41, 42 (June 30, 2003) levied a sales and use tax for operating and maintaining jail facilities. Additionally, 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.
Emergency 911	Established to receive fees collected by telephone providers as prescribed by Ark. Code Ann. § 12-10-318, and to receive fees from cities within the County, as prescribed by Jefferson County Ordinance no. 1994-95 (December 19, 1994), for 911 emergency services.
Library	Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Tax Collector's Cost	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.
Fire Equipment and Training (Act 833)	Ark. Code Ann. § 14-284-403 requires fire protection premium tax funds to be distributed by the county to local fire districts for equipment, training, capital improvements, insurance for buildings, utility costs, or other expenditures necessary for upgrading fire service.
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.
Economic Development	Jefferson County Ordinance nos. 2010-87, 88 (November 8, 2010) levied a sales and use tax for the purpose of sufficiently funding and promoting economic development projects and activities to stimulate the local economy and to support the creation of new job opportunities.
Juvenile Justice Education	Jefferson County Ordinance no. 1998-13 (January 12, 1998) established fund to receive funds awarded by the Arkansas Department of Education, through the Pine Bluff School District, to provide an educational program for juveniles incarcerated.

JEFFERSON COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
County Clerk's Cost	Ark. Code Ann. § 16-20-407 established fund to account for a \$2 marriage license fee to be used for operation of the county clerk's office.
Voting Systems Grant	Ark. Code Ann. § 19-5-1247 established fund to receive grants from the Secretary of State County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.
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.
Reappraisal	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from State.
Courthouse Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Arkansas Fish and Wildlife	Ark. Code Ann. § 6-16-1101 established fund to receive grants to be distributed to school districts or conservation districts for the sole purpose of approved conservation education programs.
Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judge to be used for the benefit and administration of the drug court program.
Justice Equitable Sharing Program	Federal forfeiture funds received from the Department of Justice Asset Forfeiture Program were set up in a separate fund for the purpose of providing additional law enforcement resources.
E-waste Grant	Jefferson County Ordinance no. 2013-41 (August 12, 2013) established fund to receive grant proceeds from the Arkansas Department of Environmental Quality for the purpose of establishing and operating an E-waste recycling hub.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as Commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expenses of the office of Circuit Clerk.
Victims of Crime	Established to receive federal grants for the purpose of salaries for coordinators of victims of violent crime services.



JEFFERSON COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2014

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

<u>Fund Name</u>	<u>Fund Description</u>
Waste Tire Facility Closure	Ark. Code Ann. § 8-6-1603 and Jefferson County Court Order 2014-7 (January 10, 2014) established fund for the purpose of providing the required financial assurance for closure and post-closure care.
Emergency Vehicle	Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.
Jefferson County Construction	Jefferson County Ordinance no. 2012-11 (February 3, 2012) established fund for the construction of the Jefferson County Sheriff's Office building.
Local Citizens Corps Grant	Jefferson County Ordinance no. 2003-33 (May 12, 2003) established fund to receive federal funds for the purchase of equipment used for the Community Emergency Response Training Program.
Law Enforcement Terrorism Prevention Program (LETPP)	Jefferson County Ordinance no. 2013-2 (January 4, 2013) established fund to receive federal funds for the purchase of supplies and equipment used to enhance capabilities for detecting, deterring, disrupting, and preventing acts of terrorism.

Treasurer's accounts consist primarily of property taxes 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, and inmate trust money.  
 County Clerk's accounts consist primarily of fee money to be settled with Treasurer, trust money, and payroll taxes.  
 Circuit Clerk's accounts consist of trust money and settlements due to Treasurer.  
 Juvenile Court accounts consist primarily of restitution, fines and costs, and fees not yet distributed to the County or plaintiff.  
 Sanitation account consists primarily of fees not yet distributed to the County.

JEFFERSON COUNTY, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2014  
(Unaudited)

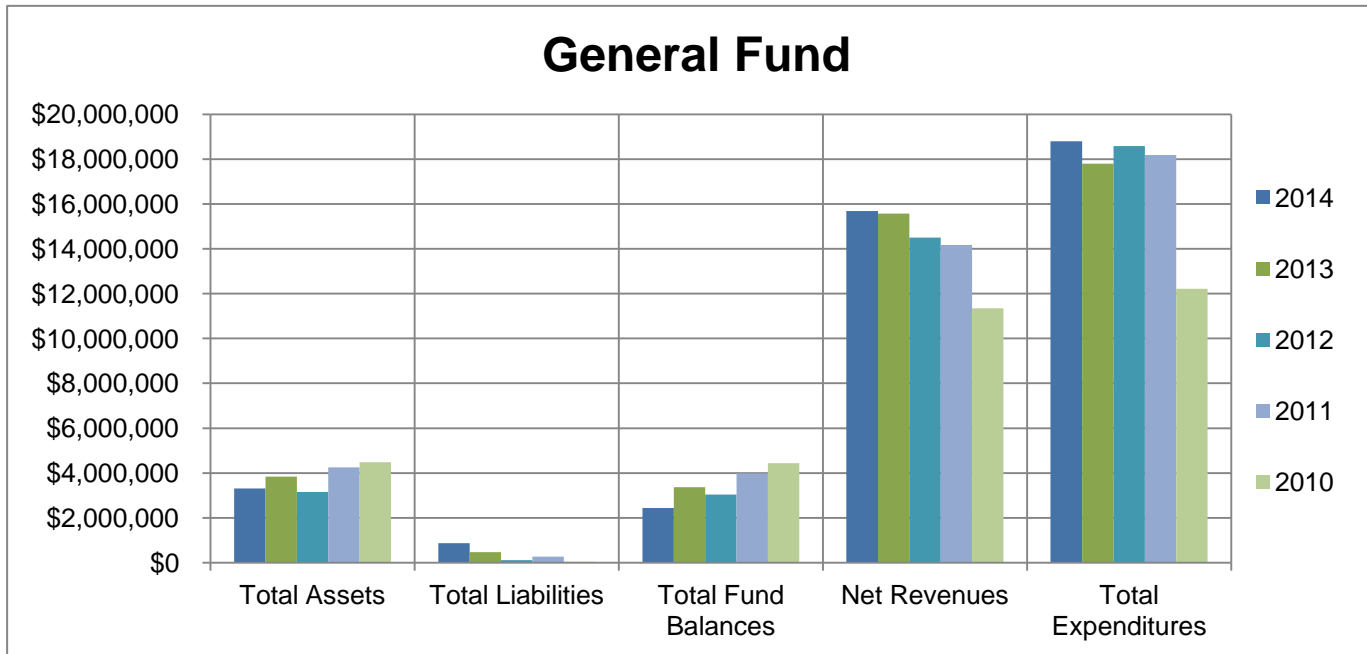
Schedule 3

	<u>December 31, 2014</u>
Land	\$ 7,921,633
Buildings	28,187,598
Equipment	<u>14,199,885</u>
Total	<u>\$ 50,309,116</u>

JEFFERSON COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - REGULATORY BASIS  
 DECEMBER 31, 2014  
 (Unaudited)

Schedule 4-1

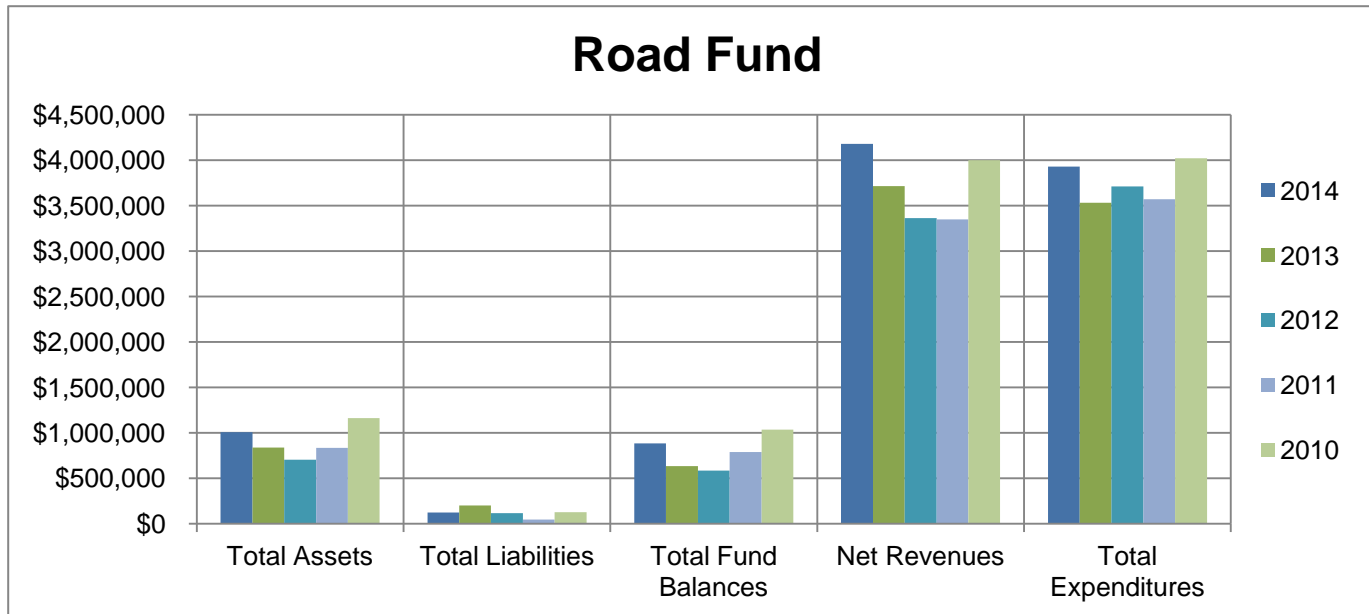
<b>General</b>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Assets	\$ 3,314,694	\$ 3,841,763	\$ 3,149,939	\$ 4,259,314	\$ 4,477,848
Total Liabilities	868,570	476,174	115,673	275,525	42,420
Total Fund Balances	2,446,124	3,365,589	3,034,266	3,983,789	4,435,428
Net Revenues	15,681,944	15,571,403	14,504,552	14,167,313	11,348,527
Total Expenditures	18,796,539	17,800,947	18,590,392	18,179,800	12,222,199
Total Other Financing Sources/Uses	2,195,299	2,555,361	3,131,770	3,067,776	(970,753)



JEFFERSON COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - REGULATORY BASIS  
 DECEMBER 31, 2014  
 (Unaudited)

Schedule 4-2

<u>Road</u>	2014	2013	2012	2011	2010
Total Assets	\$ 1,009,463	\$ 838,279	\$ 703,637	\$ 836,931	\$ 1,162,887
Total Liabilities	125,092	201,845	119,176	46,275	127,524
Total Fund Balances	884,371	636,434	584,461	790,656	1,035,363
Net Revenues	4,177,801	3,716,291	3,362,074	3,347,001	3,999,322
Total Expenditures	3,929,864	3,531,771	3,712,427	3,572,145	4,019,486
Total Other Financing Sources/Uses			144,158	(19,563)	194,822



JEFFERSON COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - REGULATORY BASIS  
 DECEMBER 31, 2014  
 (Unaudited)

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total Assets	\$ 5,265,143	\$ 4,755,127	\$ 6,104,680	\$ 6,788,907	\$ 7,756,178
Total Liabilities	1,198,744	1,299,786	1,328,764	1,564,566	1,697,269
Total Fund Balances	4,066,399	3,455,341	4,775,916	5,224,341	6,058,909
Net Revenues	10,545,914	10,416,496	9,373,951	7,086,836	8,832,998
Total Expenditures	4,286,476	5,973,535	3,435,577	3,226,567	9,929,056
Total Other Financing Sources/Uses	(5,648,380)	(6,022,765)	(6,696,050)	(4,201,763)	775,931

