

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

**December 31, 2008**

**LEGISLATIVE JOINT AUDITING COMMITTEE**



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Senate Chair  
Rep. Tim Summers  
House Chair  
Sen. David Wyatt  
Senate Vice Chair  
Rep. Toni Bradford  
House Vice Chair

# Arkansas



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

## LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Washington County, Arkansas, as of and for the year ended December 31, 2008, as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described more fully in Note 1(B and C), the County has prepared these financial statements using accounting practices prescribed or permitted by Arkansas Code, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Washington County, Arkansas, as of December 31, 2008, or the changes in its financial position or where applicable, its cash flows, thereof for the year then ended. Further, the County has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The financial statements referred to above do not disclose all the required information concerning deposit risks, which should be included in order to conform with the regulatory basis of accounting described in Note 1(C).

In our opinion, except for the effects of not disclosing all required information concerning deposit risks, the financial statements referred to above present fairly, in all material respects, the respective regulatory basis financial position of the general fund, road fund and other funds in the aggregate of Washington County, Arkansas, as of December 31, 2008, and the respective changes in the regulatory basis financial position, and the budgetary results for the general fund and road fund for the year then ended on the basis of accounting as described in Note 1(C).

In accordance with *Government Auditing Standards*, we have also issued our report dated October 6, 2010 on our consideration of the County's internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the accompanying regulatory basis financial statements of Washington County, Arkansas. The accompanying financial information listed as supporting schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of Washington County, Arkansas. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, except for the effects on the financial information in the supporting schedules of the omission described above, such information is fairly stated in all material respects in relation to the financial statements taken as a whole. The supplementary information in the Schedule of Capital Assets required by the regulatory basis of presentation and the Schedule of Selected Information for the Last Five Years as listed in the table of contents as Schedules 3 and 4 are presented for the purpose of additional analysis. We have not applied auditing procedures to this information and, accordingly, we express no opinion on these schedules.

DIVISION OF LEGISLATIVE AUDIT



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

Little Rock, Arkansas  
October 6, 2010  
LOCO07208

Sen. Bill Pritchard  
Senate Chair  
Rep. Tim Summers  
House Chair  
Sen. David Wyatt  
Senate Vice Chair  
Rep. Toni Bradford  
House Vice Chair

# Arkansas



Roger A. Norman, JD, CPA, CFE  
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

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

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Washington County, Arkansas, as of and for the year ended December 31, 2008, and have issued our report thereon dated October 6, 2010. We issued an adverse opinion because the County prepared the financial statements using accounting practices prescribed or permitted by Arkansas Code, which differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices 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 basis of accounting described in Note 1(C), our opinions on the general fund, road fund, and other funds in the aggregate were qualified because required disclosures were not made concerning deposit risks. 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.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the regulatory basis of accounting as prescribed or permitted by Arkansas Code such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the following deficiencies to be significant deficiencies in internal control over financial reporting:

2008-1 To ensure the proper safeguarding of assets, financial accounting duties relating to initiating, receipting, depositing, disbursing, and recording cash 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 cash transactions to the extent possible with the current staffing levels.

2008-2 Arkansas Code requires that the County maintain accurate financial records. These financial records contained omissions/errors that were considered material. General Fund financial records contained misstatements in assets, revenues, expenditures, and other financing sources in the amounts of \$92,506, \$1,621,113, \$656,834, and \$2,081,060, respectively, due to misclassifications and omissions in the records maintained by the Comptroller.

2008-2 (Continued)

The effect of these omissions/errors constitutes a significant control deficiency in the process of preparing financial statements. We recommend the implementation of procedures to ensure that financial records are properly posted and reconciled.

County management has concurred with the above recommendation and has approved the appropriate entries to the County's financial records.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items 2008-1 and 2008-2 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of the County's 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the Internal Control over Financial Reporting section as item 2008-2.

The County's response to the findings identified in our audit is described above. We did not audit the County's response 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 2008:

County Judge: Jerry Hunton  
Treasurer: Roger Haney  
Sheriff: Tim Helder  
Tax Collector: David Ruff  
County Clerk: Karen Combs-Pritchard  
Circuit Clerk: Bette Stamps  
County Librarian: Glenda Audrain

Our audit procedures indicated that the Offices of Treasurer, Sheriff, County Clerk, Circuit Clerk, and County Librarian 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 and Tax Collector.

**County Judge**

1. During 2008, Washington County entered into three construction contracts with Kinco Constructor's, LLC (Judicial Annex, Historical Courthouse renovation, and parking deck demolition and construction) to manage and construct without an approving court order as required by Ark. Code Ann. § 14-22-112. Washington County also incorrectly delegated the bidding process to the construction manager for the construction of the Washington County parking deck in noncompliance with Ark. Code Ann. §§ 14-22-101 - 14-22-115. The omission of the bidding process resulted in a civil lawsuit against the County for not bidding the three projects, which resulted in an agreed order that the Historical Courthouse renovation and parking deck demolition and construction projects be bid pursuant to Ark. Code Ann. § 22-9-201, and that the Judicial Annex project be allowed to culminate because it was substantially complete.
2. As previously reported, the County's fixed asset records were noted as being inadequate; the County was unable to reconcile the December 31, 2007 ending asset balance to the January 1, 2008 beginning asset balance. Software deficiencies resulted in posted deletions not being removed from the ending balance. Some corrections were undocumented and serial numbers were inaccurate. In addition, replacement elevators were added to the cost of the building on the fixed asset listing in error.

**County Judge (Continued)**

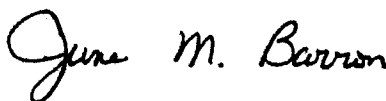
3. Washington County pledged juvenile fees that are restricted by Ark. Code Ann. § 16-13-326 to fund the bond issue "Capital Improvement Revenue Bonds" Series 2008 (Historic Courthouse Project). In addition, the juvenile fees collected by the Circuit Clerk were not deposited into a "Court Costs and Fine Fund" as directed by the bond agreement. We recommend that the County review the statutory authority of the County to pledge juvenile fees to fund the bond issue "Capital Improvement Bonds (Historic Courthouse Project)" and determine whether the accounting for the pledged revenue is in compliance with the Bond Ordinance.

**Tax Collector**

1. The final tax settlement again was not extended as a function of the Assessor's original charge valuation for the seventh consecutive year. The Tax Collector incorrectly utilized the actual collections/disbursements as the basis for the final tax settlement.
2. The City of Fayetteville Tax Increment Financing (TIF) District was reflected on the final tax settlement as parts of other taxing units as opposed to being a separate itemized taxing unit with a total value extended by itemized millage rates. As of December 31, 2008, the TIF District owed other taxing units \$60,457 due to the blended presentation of the TIF District within other taxing units.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local County government, state executive and oversight management, the federal awarding agencies and pass-through entities, if applicable, 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.

**DIVISION OF LEGISLATIVE AUDIT**



June M. Barron, CPA, CFE  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 6, 2010

WASHINGTON COUNTY, ARKANSAS  
 BALANCE SHEET - REGULATORY BASIS  
 DECEMBER 31, 2008

Exhibit A

	General	Road	Other Funds In The Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 25,545,644	\$ 2,201,184	\$ 21,735,400
Accounts receivable	2,189,119	773,318	1,495,439
Interfund receivables	302,355		
<b>TOTAL ASSETS</b>	<b>\$ 28,037,118</b>	<b>\$ 2,974,502</b>	<b>\$ 23,230,839</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 856,780	\$ 264,691	\$ 218,456
Interfund payables		301,004	1,351
Settlements pending			8,583,473
<b>Total Liabilities</b>	<b>856,780</b>	<b>565,695</b>	<b>8,803,280</b>
<b>Fund Balances:</b>			
Reserved (Note 8)	2,043,161	2,408,807	14,427,559
Unreserved:			
Designated (Note 9)	187		
Undesignated	25,136,990		
<b>Total Fund Balances</b>	<b>27,180,338</b>	<b>2,408,807</b>	<b>14,427,559</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 28,037,118</b>	<b>\$ 2,974,502</b>	<b>\$ 23,230,839</b>

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



WASHINGTON COUNTY, ARKANSAS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Exhibit B

	General	Road	Other Funds In The Aggregate
<b>REVENUES</b>			
State aid	\$ 2,294,877	\$ 3,433,149	\$ 481,771
Federal aid	59,819	64,125	967,172
Property taxes	12,800,545	994,911	1,457,565
Sales taxes	4,232,925	2,821,950	7,477,350
Fines, forfeitures, and costs	698,941		586,372
Interest	806,150	69,539	213,276
Officers' fees	1,020,100		1,877,993
Franchise taxes	127,040	357,075	
Jail fees	29,646		
911 fees			3,157,472
Collector's commission	983,716		809,866
Taxes apportioned - Assessor's salary and expense	1,602,713		75,000
Insurance premiums collected	2,821,119		
Treasurer's commission	209,586		
Other	2,148,150	489,156	1,145,085
<b>TOTAL REVENUES</b>	<u>29,835,327</u>	<u>8,229,905</u>	<u>18,348,922</u>
Less: Treasurer's commission	410,764	148,528	326,312
<b>NET REVENUES</b>	<u>29,424,563</u>	<u>8,081,377</u>	<u>18,022,610</u>
<b>EXPENDITURES</b>			
Current:			
General government	17,570,417		1,283,099
Law enforcement	10,203,799		12,060,113
Highways and streets		8,033,954	
Public safety	1,932,134		830,257
Sanitation	270,767		
Health	22,624		
Recreation and culture			109,296
Total Current	<u>29,999,741</u>	<u>8,033,954</u>	<u>16,046,824</u>

WASHINGTON COUNTY, ARKANSAS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds In The Aggregate</u>
EXPENDITURES (CONTINUED)			
Debt Service:			
Bond principal			\$ 1,645,000
Bond interest and other charges		\$ 532,733	58,790
Principal reduction on note		<u>28,459</u>	
Note interest and other charges			
TOTAL EXPENDITURES	<u>\$ 29,999,741</u>	<u>8,595,146</u>	<u>17,750,614</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(575,178)</u>	<u>(513,769)</u>	<u>271,996</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	457,931		207,600
Transfers out	(207,600)		(457,931)
Bond proceeds			5,600,000
Net bond issuance costs			<u>(134,932)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>250,331</u>		<u>5,214,737</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(324,847)</u>	<u>(513,769)</u>	<u>5,486,733</u>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	26,608,554	2,794,992	8,072,068
Restatement adjustment	<u>896,631</u>	<u>127,584</u>	<u>868,758</u>
FUND BALANCES - JANUARY 1, AS RESTATED	<u>27,505,185</u>	<u>2,922,576</u>	<u>8,940,826</u>
FUND BALANCES - DECEMBER 31	<u>\$ 27,180,338</u>	<u>\$ 2,408,807</u>	<u>\$ 14,427,559</u>

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

WASHINGTON 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, 2008  
 Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>						
State aid	\$ 2,123,714	\$ 2,294,877	\$ 171,163	\$ 2,936,665	\$ 3,433,149	\$ 496,484
Federal aid	94,123	59,819	(34,304)		64,125	64,125
Property taxes	11,056,457	12,800,545	1,744,088	1,119,505	994,911	(124,594)
Sales taxes	4,632,075	4,232,925	(399,150)	3,088,050	2,821,950	(266,100)
Fines, forfeitures, and costs	606,700	698,941	90,241			
Interest	520,000	806,150	286,150			
Officers' fees	987,500	1,020,100	32,600	95,000	69,539	(25,461)
Franchise taxes	120,000	127,040	7,040			
Jail fees		29,646	29,646		357,075	357,075
Insurance premiums collected	2,182,800	2,821,119	638,319			
Treasurer's commission	263,413	209,596	(53,827)			
Collector's commission	1,091,209	983,716	(107,493)			
Taxes apportioned - Assessor's salary and expense	1,878,722	1,602,713	(276,009)			
Other	1,305,776	2,148,150	842,374			
<b>TOTAL REVENUES</b>	<b>26,964,489</b>	<b>29,835,327</b>	<b>2,970,838</b>	<b>1,013,802</b>	<b>489,156</b>	<b>(524,646)</b>
Less: Treasurer's commission				8,253,022	8,229,905	(23,117)
<b>NET REVENUES</b>	<b>352,000</b>	<b>410,764</b>	<b>(58,764)</b>	<b>150,000</b>	<b>148,528</b>	<b>1,472</b>
<b>EXPENDITURES</b>						
Current:				8,103,022	8,081,377	(21,645)
General government						
Law enforcement	32,734,180	17,570,417	15,163,763			
Highways and streets	10,633,143	10,203,799	429,344			
Public safety	1,912,238	1,932,134	(19,896)	8,347,091	8,033,854	313,137
Sanitation	307,647	270,767	36,880			
Health	27,093	22,624	4,469			
Total Current	<b>45,614,301</b>	<b>29,999,741</b>	<b>15,614,560</b>	<b>8,347,091</b>	<b>8,033,954</b>	<b>313,137</b>
Debt Service:						
Bond principal				908,000		908,000
Principal reduction on note					532,733	(532,733)
Note interest and other charges					28,459	(28,459)
<b>TOTAL EXPENDITURES</b>	<b>45,614,301</b>	<b>29,999,741</b>	<b>15,614,560</b>	<b>9,255,091</b>	<b>8,595,146</b>	<b>659,945</b>

WASHINGTON 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, 2008

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (19,101,812)	\$ (575,178)	\$ 18,526,634	\$ (1,152,069)	\$ (513,769)	\$ 638,300
OTHER FINANCING SOURCES (USES)						
Transfers in		457,931	(1,680,895)	369,609		(369,609)
Transfers out	2,138,826	(207,600)	483,333			
Bond proceeds	(690,933)		(5,000,000)			
	5,000,000					
TOTAL OTHER FINANCING SOURCES (USES)	6,447,893	250,331	(6,197,562)	369,609		(369,609)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(12,653,919)	(324,847)	12,329,072	(782,460)	(513,769)	268,691
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	18,947,907	26,608,554	7,660,647	2,000,000	2,794,992	794,992
Restatement adjustment		896,631	896,631		127,584	127,584
FUND BALANCES - JANUARY 1, AS RESTATED	18,947,907	27,505,185	8,557,278	2,000,000	2,922,576	922,576
FUND BALANCES - DECEMBER 31	\$ 6,293,988	\$ 27,180,338	\$ 20,886,350	\$ 1,217,540	\$ 2,408,807	\$ 1,191,267

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

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

**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 Arkansas Code. 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 fund; 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 the primary operating fund and is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund heading as it appears in the financial statements includes the following accounts: General, Treasurer, Collector, Assessor, Central Supply, Drug-Buy, Blue Cross/Blue Shield Employee Self Insurance, and Historic Courthouse Renovation.

**Road Fund** - The Road Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for maintaining and constructing county 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 the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The following Special Revenue Funds are reported with other funds in the aggregate: Emergency 911, HIV Clinic, Community Grants, Jail Operations Sales Tax, County Recorder's Cost, County Clerk's Cost, Sheriff's Communication Facility and Equipment, Juvenile Counsel Fee, Support Collection Cost, Treasurer's Automation, Law Enforcement Grants, Drug Court Grant, Rural Community Grants, Collector's Automation, County Clerk's Recorder and Automation Cost, Court Automation, Fire Marshall Grants, Office of Emergency Services Grants, Homeland Security Grant, Library, Federal Emergency Management Agency (FEMA), and High Intensity Drug Trafficking Area (HIDTA) Grant.

**Debt Service Funds** - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The following Debt Service Fund is reported with other funds in the aggregate: Juvenile Detention Complex Bond Payment and Historic Courthouse Project Bonds.

**Agency Funds** - Agency Funds are used to account for assets held by the entity as an agent for individuals, private organizations, other governmental units, and other funds. The following Agency Funds are reported with other funds in the aggregate: County Judge's accounts (Juvenile Detention Center and petty cash/change funds), County Treasurer's accounts (Law Library, Flexible Spending, ACDEP Water Project, Devil's Den Water Project, Common School, Timberland, Fayetteville TIF District, HAZMAT, Checking Interest, Sloan Improvement District, Treasurer's Operating, Collector's Operating, and Assessor's Operating), Collector's accounts (Current/Delinquent Tax, Escrow, and Cash Change Funds), Sheriff's accounts (Fee, Felony Bond, and Execution), County Clerk's accounts (Fee and Trust), Circuit Clerk's accounts (Fee, Advanced Cost, Child Support, Circuit Fines and Costs - Adult, and Circuit Fines and Costs - Juvenile), and Assessor accounts (Change Fund).

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

**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 Arkansas Code. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues 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 sixty (60) days of the end of the current period. 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, certificates of deposit, and treasury bills.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, excess commissions/salary and expenses, and interest that have not been transferred to the appropriate entities.

Fund Balance

1. Reserved Fund Balance indicates that portion of fund balance that is not appropriable for expenditure or is legally segregated for a specific future use.
2. Designated Fund Balance indicates that portion of fund balance for which the entity has made tentative plans for financial resource utilization in a future period.
3. Undesignated Fund Balance indicates that portion of fund balance not reserved or designated.

**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 10.

**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.

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund, Road Fund, and the other Special Revenue Funds.

**NOTE 2: Cash**

Deposit 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.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

**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/or time deposits. Public funds may also be invested in direct obligations of the United States of America and obligations the principal and interest on which are fully guaranteed by the United States of America.

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2008 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 664,070	\$ 279,032	\$ 79,057
Federal aid	3,392	36	7,134
Property taxes	129,109	18,106	10,484
Sales taxes	325,323	216,882	574,675
Fines, forfeitures, and costs	38,999		55,702
Interest	13,723	3,964	10,014
Officers' fees	69,085		119,451
Franchise taxes		80,689	
Jail fees	22,470		188,167
911 fees			62,319
Other			388,436
	<u>922,948</u>	<u>174,609</u>	<u>388,436</u>
Totals	<u>\$ 2,189,119</u>	<u>\$ 773,318</u>	<u>\$ 1,495,439</u>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2008 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 851,685	\$ 228,682	\$ 211,779
Other	5,095	36,009	6,677
	<u>856,780</u>	<u>264,691</u>	<u>218,456</u>
Totals	<u>\$ 856,780</u>	<u>\$ 264,691</u>	<u>\$ 218,456</u>

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2008	
	Interfund Receivables	Interfund Payables
General Fund	\$ 302,355	
Road Fund		\$ 301,004
Other Funds in the Aggregate:		
Library		1,351
	<u>\$ 302,355</u>	<u>\$ 302,355</u>
Totals	<u>\$ 302,355</u>	<u>\$ 302,355</u>

Interfund receivables and payables consist of errors in depositing restricted revenues and interfund loans. These balances are expected to be repaid during the next five years. County General Fund loaned County Road Fund \$300,000 for the purchase of a quarry lease and the loan was amortized to be repaid over five years (2009 – 2013) with interest of \$24,266. Due to an error, the County Road Fund and County Library Fund also owed County General \$1,004 and \$1,351, respectively.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

**NOTE 7: Legal Debt Limit**

**A. Bonded Debt**

The County is subject to a constitutional limitation for bonded indebtedness equal to ten percent (10%) of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2008, the legal debt limit for bonded debt was \$284,186,999. 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 two and one half percent (2.5%) of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2008, the legal debt limit for short-term financing obligations was \$73,588,079. The amount of short-term financing obligations was \$632,482, leaving a legal debt margin of \$72,955,597.

**NOTE 8: Reserved Fund Balance**

Reserved fund balance consists of the following:

	December 31, 2008
<u>General</u>	
Blue Cross/Blue Shield Employee Self-Insurance	\$ 2,043,161
 <u>Road</u>	 \$ 2,408,807
 <u>Other Funds in the Aggregate</u>	
Special Revenue Funds:	
Emergency 911	\$ 387,266
HIV Clinic	46,203
Community Grants	1,872
Jail Operations Sales Tax	4,146,403
County Recorder's Cost	1,128,425
County Clerk's Cost	23,827
Sheriff's Communication Facility and Equipment	498,211
Juvenile Counsel Fee	4,152
Support Collection Cost	6,018
Treasurer's Automation	14,314
Law Enforcement Grants	193,315
Drug Court Grant	17,515
Rural Community Grants	23,456
Collector's Automation	243,352
County Clerk's Recorder and Automation Cost	489,841
Court Automation	96,599
Fire Marshall Grants	53,577
Office of Emergency Services Grants	17,960
Homeland Security Grant	34,756
Library	854,998
Federal Emergency Management Agency (FEMA)	459,739
High Intensity Drug Trafficking Area (HIDTA) Grant	1
Total Special Revenue	8,741,800



WASHINGTON COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2008

**NOTE 8: Reserved Fund Balance (Continued)**

	December 31, 2008
<u>Other Funds in the Aggregate (Continued)</u>	
Debt Service Fund:	
Juvenile Detention Complex Bond Payment and Historic Courthouse Project Bonds	\$ 5,685,759
Total Other Funds in the Aggregate	\$ 14,427,559

**NOTE 9: General Fund - Designated Fund Balance**

General Fund designated fund balance consists of the following:

Description	December 31, 2008
Historic Courthouse Renovation	\$ 187

**NOTE 10: Commitments**

Total commitments consist of the following at December 31, 2008:

	December 31, 2008
Long-Term Debt	\$ 7,017,272
Noncancellable Lease	183,203
Construction Contracts	381,008
Professional Services Contracts	2,846,523
Total Commitments	\$ 10,428,006

Long-Term Debt

Long-Term Debt at December 31, 2008 is comprised of the following:

	December 31, 2008
Washington County Ordinance no. 08-53 (October 9, 2008) approved the issuance of Washington County, Arkansas - Capital Improvement Revenue Bonds (Historic Courthouse Project), Series 2008 in the amount of \$5,600,000, bearing interest at 3.0% - 5.3% per annum with scheduled maturities of November 1st in each of the years 2009 through 2028. Payments are to be made from the Historic Courthouse Project Fund.	\$ 5,600,000

WASHINGTON COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2008

**NOTE 10: Commitments (Continued)**

Long-Term Debt (Continued)

	December 31, 2008
<b><u>General Revenue Promissory Notes Payable</u></b>	
Washington County Ordinance no. 04-12 (February 23, 2004) approved the issuance of Washington County, Arkansas - General Revenue Promissory Notes (Refunding and Road Equipment Project), Series 2004A and 2004B in the amount of \$1,595,000 and \$2,245,000, respectively. Series 2004A matured on November 1, 2004. Series 2004B bears interest at 1.25% - 2.6% per annum with scheduled maturities on April 1st in each of the years 2005 through 2009. Payments are to be made from the Road Fund.	\$ 465,000
Washington County Ordinance no. 07-12 (March 8, 2007) authorized the issuance and sale of General Revenue Promissory Notes (Crusher Project), Series 2007 for the purchase of land and road equipment in the amount of \$267,241, bearing interest at 4.80% per annum with accrued interest and principal paid monthly on the amount of the outstanding principal balance until May 21, 2011. Payments are to be made from the Road Fund.	167,482
Total General Revenue Promissory Notes Payable	632,482
Compensated Absences	784,790
<b>TOTAL LONG-TERM DEBT</b>	<b>\$ 7,017,272</b>

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

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2008:

Years Ending December 31,	Bonds	Notes	Total
2009	\$ 449,675	\$ 544,721	\$ 994,396
2010	449,125	73,675	522,800
2011	448,425	30,698	479,123
2012	451,795		451,795
2013	449,108		449,108
2014-2018	2,246,895		2,246,895
2019-2023	2,246,810		2,246,810
2024-2028	2,241,675		2,241,675
Total Obligations	8,983,508	649,094	9,632,602
Less Interest	3,383,508	16,612	3,400,120
Total Principal	\$ 5,600,000	\$ 632,482	\$ 6,232,482

Noncancellable Lease

The County entered into a noncancellable lease agreement for 911 equipment on September 14, 2005. Terms of the lease are annual rental payments of \$91,602 for five years. The County is obligated for the following amount for the next two years:

Year	December 31, 2008
2009	\$ 91,602
2010	91,601
Total	\$ 183,203

Rental expense for 2008 was \$91,602.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

**NOTE 10: Commitments (Continued)**

Construction Contracts

The County was contractually obligated for the following construction contracts at December 31, 2008:

<u>Project Name</u>	<u>Completion Date</u>	<u>Contract Balance December 31, 2008</u>
Washington County Judicial Annex Construction Contracts	July 2009	\$ 299,355
Washington County Historic Courthouse Renovation	September 2010	81,653
Total		<u>\$ 381,008</u>

Additional details and information for these two construction contracts and related subsequent events concerning them are described more fully at Notes to Financial Statements no. 13.

Professional Service Contracts

The County entered into a professional services contract for \$3,296,000 with Arkansas CAMA Technology for real estate appraisal and appraisal maintenance on December 28, 2007. Terms of the contract were 36 payments of \$91,556 each with a prorated reduction of \$3,333 on those payments for the cost of the County's licensing agreement with Pictometry Software. The County is obligated for the unpaid balance of \$2,197,333 as of December 31, 2008.

The County entered into a contract for \$385,000 with McGoodwin, Williams, and Yates, Inc., as architect on the Washington County Courthouse Parking Deck project on November 6, 2008 as "Compensation for Basic Services". As of December 31, 2008, the balance on this contract was \$308,000. See Notes to Financial Statements no. 13 for subsequent contract information relating to this project.

The County entered into a contract with Polk Stanley Rowland Curzon Porter Architects, Ltd., as architect for the Renovation/Rehabilitation on the Historic Washington County Courthouse on July 7, 2005 for ten percent of the cost of the work completed. As of December 31, 2008, the balance on this contract was \$341,190.

The County contracted with Kinco, LLC for the demolition and construction of a parking deck on November 17, 2008, but there was no defined dollar value in that contract. See Notes to Financial Statements no. 13 for subsequent contract information relating to this project.

**NOTE 11: Interfund Transfers**

The General Fund transferred \$207,600 to the Other Funds in the Aggregate to supplement the budget of the Jail Operations Sales Tax Fund with \$55,543, the County Clerk's Cost Fund with \$1, the Office of Emergency Services Grants Fund with \$56, and the Juvenile Detention Complex Bond Payment and Historic Courthouse Project Bonds Fund with \$152,000. The General Fund received \$457,931 from the Other Funds in the Aggregate. Of that amount, the Emergency 911 Fund transferred \$8,014 for repayment of loan interest, the County Recorder's Cost Fund transferred \$446,409 of excess funds, and the Homeland Security Grant Fund transferred \$3,508 to correct an error from a previous year.

**NOTE 12: Prior Year Restatement**

The General Fund, Road Fund, and Other Funds in the Aggregate fund balances at January 1, 2008 were restated for the net effect of recognizing receivables and payables in the amounts of \$896,631, \$127,584, and \$868,758, respectively.

**NOTE 13: Subsequent Events**

During 2008, Washington County entered into three construction contracts with Kinco Constructor's, LLC (Judicial Annex, Historical Courthouse renovation, and Parking Deck demolition and construction) to manage and construct without an approving court order and without following statutorily required bidding procedures. The omission of the bidding process resulted in civil lawsuit #2009-12752 against the County which resulted in an agreed order that the Historical Courthouse renovation and Parking Deck demolition and construction projects be bid and that the Judicial Annex project be allowed to culminate because it was substantially complete.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

**NOTE 13: Subsequent Events (Continued)**

The County entered into a contract with Kinco Constructor's, LLC for razing the old parking deck and installing a new parking deck on November 17, 2008. As a result of Washington County Civil Lawsuit #2009-12752, the County bid this project and awarded a contract dated August 3, 2009 in the amount of \$4,357,000 to Vratsinas Construction Company, LLC (VCC). Subsequent change orders increased this contract amount to \$6,050,916. As of October 6, 2010, the County had disbursed \$4,910,529 on the project. Also, as a result of these actions, the architect on the project, (McGoodwin, Williams, and Yates, Inc.) has requested that their original contract of \$385,000 be increased by an additional \$30,000 per month for each month that the actual substantial completion was extended past August 24, 2010.

The County entered into a contract with Kinco Constructor's, LLC for the renovation of the Historic Courthouse on September 12, 2008. As a result of Washington County Civil Lawsuit #2009-12752, the County bid this project and awarded a contract dated August 3, 2009 in the amount of \$2,615,000 to Milestone Construction. Subsequent change orders increased this contract amount to \$2,741,776. As of October 6, 2010, the County had disbursed \$2,596,939 on the project.

On April 8, 2010, the County entered into a construction contract with Crossland Construction Co., Inc., for the construction of the Washington County Coroner's Office for \$373,000. As of October 6, 2010, the County had disbursed \$262,734 with an estimated completion date in late October 2010.

**NOTE 14: 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 areas:

**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.

**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 by the program is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident and \$25,000 for property damage per accident. 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 (excluding mobile equipment) which are the property of the participating county. Property is valued at the full cost to repair or replace the property after deduction for depreciation. Loss amounts payable will be reduced by the deductible amount of \$500 per occurrence. 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 \$500,000. The County agrees to pay into the program each year a rate established by the Risk Management Fund Board. Each county also agrees to pay the first \$500 of the aggregate cost for all expenses on each lawsuit.

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 \$1,000 deductible per occurrence.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2008

**NOTE 15: 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, One Union National Plaza, 124 W. Capitol, Little Rock, Arkansas 72201 or by calling 1-800-682-7377.

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.

**NOTE 16: Self-Insured Benefits**

The County provides an insurance benefits plan for employees on a self-insured basis. Blue Advantage Administrators of Arkansas is currently the third party administrator, which provides claims administration/adjudication services for a set monthly fee based on the number of covered employees. As of December 31, 2008, the balance in the account was \$2,043,161 and is reflected in the financial statements as the General Fund's reserved fund balance. To safeguard against catastrophic claims expenses, the County also maintains reinsurance policy with American Fidelity Assurance Company which will fund individual claims that exceed \$150,000 per occurrence.

**NOTE 17: Joint Venture**

Washington County and the City of Springdale entered into an interlocal agreement for the "County" Bomb Team. The County received a total of \$1,261,400 for equipment for use by the City of Springdale Bomb Team that services the entire County. The County is to maintain the equipment in their inventory for three years after the grant's closure date. The equipment was agreed to then be remitted to the City of Springdale upon the expiration of that time period. The official grant closure date for the fiscal year 2002 Grant – Phase 1 was July 28, 2006 for \$761,400 in equipment. The official grant closure date for the fiscal year 2003 Grant – Phase 2 was April 2, 2008 for \$500,000 worth of equipment. Subsequently, on February 22, 2010, the City of Bentonville agreed to take the bomb squad property and personnel and bomb squad mission with Washington County remaining as the property owner.

**NOTE 18: Joint Venture: Boston Mountain Solid Waste District**

Washington, Madison, Carroll, and Benton Counties entered into an agreement in April 1991 to form the Four-County (NW) Solid Waste Management District in accordance with Ark. Code Ann. § 8-6-707. This agreement stated that their emphasis would be on recycling, composting, and waste reduction. In February 2005, only Washington and Madison Counties remained in the agreement and the name was changed to Boston Mountain Solid Waste District. Washington County paid \$20,806 to the Solid Waste District during 2008. Separate financial statements of the District may be obtained at: 11398 Bond Road, Prairie Grove, AR 72752.

**NOTE 19: Pledged Revenues**

The County has pledged future revenues that are derived from the payment of fines (including fines in the nature of restitution) and court costs collected in the criminal and juvenile matters by the Circuit Courts (including any successor courts bearing such matters) in the County, that remain after the payment of prior claims that the County is legally obligated to make from such funds (the "Prior Claims") to repay \$5,600,000 in bonds that were delivered on November 19, 2008 to provide funding for the purpose of financing the costs of renovating, furnishing, and equipping of the historic courthouse. Total principal and interest remaining on the bonds are \$5,600,000 and \$3,383,508, respectively, payable through November 1, 2028. For the current year, no principal and interest were paid.

The Juvenile Detention Complex Bond Payment and Historic Courthouse Project Bonds Fund received a total of \$576,918 from these revenue sources in 2008. Any fees collected in excess of the debt service requirements may be used at the option of the County for administration of justice purposes.

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2008

Schedule 1

SPECIAL REVENUE FUNDS

ASSETS	Emergency 911	HIV Clinic	Community Grants	Jail Operations Sales Tax	County Recorder's Cost	County Clerk's Cost	Sheriff's Communication Facility and Equipment	Juvenile Counsel Fee
Cash and cash equivalents	\$ 292,857	\$ 74,109	\$ 1,871	\$ 3,337,351	\$ 1,000,000	\$ 23,462	\$ 467,712	\$ 2,722
Accounts receivable	113,256	94	1	958,580	128,661	365	31,754	1,430
<b>TOTAL ASSETS</b>	<b>\$ 406,113</b>	<b>\$ 74,203</b>	<b>\$ 1,872</b>	<b>\$ 4,295,931</b>	<b>\$ 1,128,661</b>	<b>\$ 23,827</b>	<b>\$ 499,466</b>	<b>\$ 4,152</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 18,847	\$ 28,000		\$ 149,528	\$ 236		\$ 1,255	
Interfund payables								
Settlements pending								
<b>Total Liabilities</b>	<b>18,847</b>	<b>28,000</b>		<b>149,528</b>	<b>236</b>		<b>1,255</b>	
Fund Balances:								
Reserved (Note 6)	387,266	46,203	1,872	4,146,403	1,128,425	23,827	498,211	4,152
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 406,113</b>	<b>\$ 74,203</b>	<b>\$ 1,872</b>	<b>\$ 4,295,931</b>	<b>\$ 1,128,661</b>	<b>\$ 23,827</b>	<b>\$ 499,466</b>	<b>\$ 4,152</b>

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2008

Schedule 1

SPECIAL REVENUE FUNDS

	Support Collection Cost	Treasurer's Automation	Law Enforcement Grants	Drug Court Grant	Rural Community Grants	Collector's Automation	County Clerk's Recorder and Automation Cost	Court Automation
ASSETS								
Cash and cash equivalents	\$ 5,133	\$ 14,301	\$ 189,810	\$ 17,045	\$ 23,688	\$ 244,734	\$ 482,039	\$ 94,627
Accounts receivable	885	13	10,888	470	462	118	8,054	2,037
<b>TOTAL ASSETS</b>	<b>\$ 6,018</b>	<b>\$ 14,314</b>	<b>\$ 200,698</b>	<b>\$ 17,515</b>	<b>\$ 24,130</b>	<b>\$ 244,852</b>	<b>\$ 490,093</b>	<b>\$ 96,664</b>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable			\$ 7,383		\$ 674	\$ 1,500	\$ 252	\$ 65
Interfund payables								
Settlements pending								
<b>Total Liabilities</b>			<b>7,383</b>		<b>674</b>	<b>1,500</b>	<b>252</b>	<b>65</b>
Fund Balances:								
Reserved (Note 8)	\$ 6,018	\$ 14,314	193,315	\$ 17,515	23,456	243,352	489,841	96,599
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 6,018</b>	<b>\$ 14,314</b>	<b>\$ 200,698</b>	<b>\$ 17,515</b>	<b>\$ 24,130</b>	<b>\$ 244,852</b>	<b>\$ 490,093</b>	<b>\$ 96,664</b>

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2008

Schedule 1

	SPECIAL REVENUE FUNDS					DEBT SERVICE FUND	
ASSETS	Fire Marshall Grants	Office of Emergency Services Grants	Homeland Security Grant	Library	Federal Emergency Management Agency (FEMA)	High Intensity Drug Trafficking Area (HIDTA) Grant	Juvenile Detention Complex Bond Payment and Historic Courthouse Project Bonds
Cash and cash equivalents	\$ 53,511	\$ 17,938	\$ 34,023	\$ 688,944	\$ 459,358	\$ 1	\$ 5,826,713
Accounts receivable	86	22	2,044	169,076	383	7,134	59,046
<b>TOTAL ASSETS</b>	<b>\$ 53,577</b>	<b>\$ 17,960</b>	<b>\$ 36,067</b>	<b>\$ 858,020</b>	<b>\$ 459,739</b>	<b>\$ 7,135</b>	<b>\$ 5,885,759</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable			\$ 1,311	\$ 2,271		\$ 7,134	
Interfund payables				1,351			
Settlements pending							
<b>Total Liabilities</b>			<b>1,311</b>	<b>3,622</b>		<b>7,134</b>	
Fund Balances:							
Reserved (Note 8)	\$ 53,577	\$ 17,960	\$ 34,756	\$ 854,998	\$ 459,739	\$ 1	\$ 5,885,759
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 53,577</b>	<b>\$ 17,960</b>	<b>\$ 36,067</b>	<b>\$ 858,020</b>	<b>\$ 459,739</b>	<b>\$ 7,135</b>	<b>\$ 5,885,759</b>



WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2008

AGENCY FUNDS

	Judge's Accounts	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Assessor's Accounts	Totals
<b>ASSETS</b>								
Cash and cash equivalents	\$ 410	\$ 5,945,137	\$ 978,484	\$ 208,458	\$ 783,724	\$ 667,110	\$ 150	\$ 21,735,400
Accounts receivable								1,495,439
<b>TOTAL ASSETS</b>	\$ 410	\$ 5,945,137	\$ 978,484	\$ 208,458	\$ 783,724	\$ 667,110	\$ 150	\$ 23,230,839
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable								\$ 218,456
Interfund payables	\$ 410	\$ 5,945,137	\$ 978,484	\$ 208,458	\$ 783,724	\$ 667,110	\$ 150	1,351
Settlements pending	410	5,945,137	978,484	208,458	783,724	667,110	150	8,583,473
<b>Total Liabilities</b>								8,803,280
Fund Balances:								
Reserved (Note 8)	\$ 410	\$ 5,945,137	\$ 978,484	\$ 208,458	\$ 783,724	\$ 667,110	\$ 150	14,427,559
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	\$ 410	\$ 5,945,137	\$ 978,484	\$ 208,458	\$ 783,724	\$ 667,110	\$ 150	\$ 23,230,839

WASHINGTON 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, 2008

Schedule 2

		SPECIAL REVENUE FUNDS						
REVENUES	Emergency 911	HIV Clinic	Community Grants	Jail Operations Sales Tax	County Recorder's Cost	County Clerk's Cost	Sheriff's Communication Facility and Equipment	Juvenile Counsel Fee
State aid								
Federal aid								
Property taxes								
Sales taxes								
Fines, forfeitures, and costs				\$ 7,477,350				
Interest								
Officers' fees	6,871	2,158	47	88,534	27,515	528	14,070	68
Jail fees					1,614,405	3,988	87,918	1,427
911 fees	809,866			3,157,472				
Collector's commission								
Other								
	83,259	115,376		472,417	47,932	369	215,180	3
<b>TOTAL REVENUES</b>	<b>899,996</b>	<b>117,534</b>	<b>47</b>	<b>11,195,773</b>	<b>1,689,852</b>	<b>4,893</b>	<b>317,168</b>	<b>1,498</b>
Less: Treasurer's commission								
<b>NET REVENUES</b>	<b>17,080</b>	<b>42</b>	<b>1</b>	<b>222,498</b>	<b>30,775</b>	<b>90</b>	<b>6,151</b>	<b>1</b>
	882,916	117,482	46	10,973,275	1,659,077	4,803	311,017	1,497
<b>EXPENDITURES</b>								
Current:								
General government								
Law enforcement								
Public safety								
Health								
Recreation and culture								
Total Current	639,547	109,296		11,292,803	1,061,966		343,401	
Debt Service:								
Bond principal								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>639,547</b>	<b>109,296</b>		<b>11,292,803</b>	<b>1,061,966</b>		<b>343,401</b>	

WASHINGTON 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, 2008

	SPECIAL REVENUE FUNDS							
	Emergency 911	HIV Clinic	Community Grants	Jail Operations Sales Tax	County Recorder's Cost	County Clerk's Cost	Sheriff's Communication Facility and Equipment	Juvenile Counsel Fee
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 243,369	\$ 8,196	\$ 46	\$ (319,528)	\$ 597,111	\$ 4,803	\$ (32,384)	\$ 1,497
OTHER FINANCING SOURCES (USES)								
Transfers in				55,543	(446,409)			
Transfers out	(8,014)							
Bond proceeds								
Net bond issuance costs								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(8,014)			55,543	(446,409)	1		
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	235,355	8,196	46	(283,985)	150,702	4,804	(32,384)	1,497
Restatement adjustment	194,128	66,190	1,826	3,464,943	999,941	19,023	501,187	2,655
	(42,215)	(28,183)		945,445	(22,218)		29,408	
FUND BALANCES - JANUARY 1, AS RESTATED	151,911	38,007	1,826	4,410,388	977,723	19,023	530,595	2,655
FUND BALANCES - DECEMBER 31	\$ 387,266	\$ 46,203	\$ 1,872	\$ 4,146,403	\$ 1,128,425	\$ 23,827	\$ 498,211	\$ 4,152

WASHINGTON 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, 2008

Schedule 2

	SPECIAL REVENUE FUNDS							
	Support Collection Cost	Treasurer's Automation	Law Enforcement Grants	Drug Court Grant	Rural Community Grants	Collector's Automation	County Clerk's Recorder and Automation Cost	Court Automation
REVENUES								
State aid			\$ 21,433		\$ 20,000			
Federal aid			160,818					
Property taxes								
Sales taxes								
Fines, forfeitures, and costs			62,804	\$ 28,425				\$ 20,225
Interest			3,856	771				2,840
Officers' fees	564	355			433			
Jail fees	30,937		37,410					
911 fees								
Collector's commission								
Other						75,000		
	1,363	6	21,129	916	4,104		3,718	650
<b>TOTAL REVENUES</b>	<b>32,864</b>	<b>381</b>	<b>307,250</b>	<b>28,112</b>	<b>24,537</b>	<b>80,783</b>	<b>121,311</b>	<b>23,715</b>
Less: Treasurer's commission	623		1,947	544	80	3	2,228	428
	32,241	381	305,303	27,568	24,457	80,780	119,083	23,287
<b>NET REVENUES</b>	<b>41,809</b>	<b>4,171</b>	<b>227,223</b>	<b>50,394</b>	<b>12,441</b>	<b>63,532</b>	<b>68,130</b>	<b>2,017</b>
EXPENDITURES								
Current								
General government								
Law enforcement								
Public safety								
Health								
Recreation and culture								
Total Current	41,809	4,171	227,223	50,394	12,441	63,532	68,130	2,017
Debt Service:								
Bond principal								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>41,809</b>	<b>4,171</b>	<b>227,223</b>	<b>50,394</b>	<b>12,441</b>	<b>63,532</b>	<b>68,130</b>	<b>2,017</b>

WASHINGTON 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, 2008

Schedule 2

	SPECIAL REVENUE FUNDS							
	Support Collection Cost	Treasurer's Automation	Law Enforcement Grants	Drug Court Grant	Rural Community Grants	Collector's Automation	County Clerk's Recorder and Automation Cost	Court Automation
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (9,568)	\$ (3,810)	\$ 78,080	\$ (22,826)	\$ 12,016	\$ 17,248	\$ 50,953	\$ 21,270
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
Bond proceeds								
Net bond issuance costs								
TOTAL OTHER FINANCING SOURCES (USES)								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(9,568)	(3,810)	78,080	(22,826)	12,016	17,248	50,953	21,270
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	15,733	6,182	118,639	40,639	11,471	226,104	438,422	75,329
Restatement adjustment	(147)	11,942	(1,404)	(298)	(31)		(534)	
FUND BALANCES - JANUARY 1, AS RESTATED	15,586	18,124	115,235	40,341	11,440	226,104	438,888	75,329
FUND BALANCES - DECEMBER 31	\$ 6,018	\$ 14,314	\$ 193,315	\$ 17,515	\$ 23,456	\$ 243,352	\$ 488,841	\$ 96,599

WASHINGTON 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, 2008

	SPECIAL REVENUE FUNDS						Totals
	Fire Marshal Grants	Office of Emergency Services Grants	Homeland Security Grant	Library	Federal Emergency Management Agency (FEMA)	High Intensity Drug Trafficking Area (HIDTA) Grant	
REVENUES							
State aid				\$ 440,338			\$ 440,338
Federal aid			\$ 332,841		\$ 459,747	\$ 13,766	\$ 834,944
Property taxes				1,457,565			1,457,565
Sales taxes							
Fines, forfeitures, and costs			820	10,654	1,654	1	12,129
Interest							
Officers' fees	\$ 1,345	\$ 450					\$ 1,795
Jail fees							
911 fees							
Collector's commission							
Other	62	21	2,308	157,958			18,308
<b>TOTAL REVENUES</b>	<b>1,407</b>	<b>471</b>	<b>335,969</b>	<b>2,066,515</b>	<b>461,401</b>	<b>13,767</b>	<b>18,346,922</b>
Less: Treasurer's commission	26	9	22	32,768			10,986
<b>NET REVENUES</b>	<b>1,381</b>	<b>462</b>	<b>335,947</b>	<b>2,033,747</b>	<b>461,401</b>	<b>13,767</b>	<b>18,022,610</b>
EXPENDITURES							
Current:							
General government					1,662		1,662
Law enforcement			130,509			13,766	130,509
Public safety			190,710				190,710
Health							
Recreation and culture							
Total Current			321,219	1,764,059	1,662	13,766	1,799,666
Debt Service:							
Bond principal							
Bond interest and other charges							
<b>TOTAL EXPENDITURES</b>			<b>321,219</b>	<b>1,764,059</b>	<b>1,662</b>	<b>13,766</b>	<b>17,750,614</b>

WASHINGTON 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, 2008

	SPECIAL REVENUE FUNDS					DEBT SERVICE FUND	Totals
	Fire Marshall Grants	Office of Emergency Services Grants	Homeland Security Grant	Library	Federal Emergency Management Agency (FEMA)	High Intensity Drug Trafficking Area (HIDTA) Grant	Juvenile Detention Complex Bond Payment and Historic Courthouse Project Bonds
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 1,381	\$ 462	\$ 14,728	\$ 289,688	\$ 459,739	\$ 1	\$ (1,120,476)
OTHER FINANCING SOURCES (USES)		56	(3,508)				152,000
Transfers in							207,600
Transfers out							(457,931)
Bond proceeds							5,600,000
Net bond issuance costs							(134,932)
TOTAL OTHER FINANCING SOURCES (USES)		56	(3,508)				5,214,737
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,381	518	11,220	289,688	459,739	1	5,486,733
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	52,196	17,442	43,176	588,677			8,072,068
Restatement adjustment			(19,840)	(3,367)			868,758
FUND BALANCES - JANUARY 1, AS RESTATED	52,196	17,442	23,336	585,310			8,940,826
FUND BALANCES - DECEMBER 31	\$ 53,577	\$ 17,960	\$ 34,756	\$ 854,988	\$ 459,739	\$ 1	\$ 14,427,559

WASHINGTON COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2008

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

<u>Fund Name</u>	<u>Fund Description</u>
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
HIV Clinic	Fund originally established to account for state and local grants, now supported by health insurance proceeds and local contributions.
Community Grants	Fund established to account for local grants.
Jail Operations Sales Tax	Washington County Ordinance no. 2002-12 (March 26, 2002) established 1/4% sales tax for the maintenance and operation of the Jail and Sheriff's facilities.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
County Clerk's Cost	Ark. Code Ann. § 16-20-407 established a \$2 marriage licenses fee to be used for County Clerk's costs.
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.
Juvenile Counsel Fee	Ark. Code Ann. § 16-13-326 established fund to collect juvenile fees and provide services and supplies to juveniles at the discretion of the Juvenile Division of Circuit Court.
Support Collection Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's office.
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 record keeping system.
Law Enforcement Grants	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. This fund is also used to account for other federal and state grants and work release fees.
Drug Court Grant	Fund originally established to account for federal grant, currently funded by Circuit Court costs.
Rural Community Grants	Fund established to account for state grants and county and local matching funds.
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.



WASHINGTON COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2008

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 Recorder and Automation Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive District Court installment fees of 1/2 of \$5 per month on each person to be used for court related technology.
Fire Marshall Grants	Fund established to account for state grant for County Fire Marshall, now funded by local grants.
Office of Emergency Services Grants	Fund established to account for various federal grants for emergency services.
Homeland Security Grant	Fund established to account for grants received for Homeland Security and Law Enforcement Terrorism Prevention Program.
Library	Ark. Code Ann. § 13-2-404 established fund to account for Library property tax millage levied by the Quorum Court.
Federal Emergency Management Agency (FEEMA)	Fund established to account for grant funds received from the Federal Emergency Management Agency.
High Intensity Drug Trafficking Area (HIDTA) Grant	Fund established to account for grant funds received for High Intensity Drug Trafficking Areas.
Juvenile Detention Complex Bond Payment and Historic Courthouse Project Bonds	Washington County Ordinance no. 2003-29 (June 12, 2003) established fund to receive Circuit Court fines and costs levied and pledged to pay revenue bonds for the construction of the Juvenile Detention Center. Upon closure of Juvenile Complex Bond Payment Fund, Washington County Ordinance no. 2008-53 (October 9, 2008) established the Historic Courthouse Renovation Project Bond Fund for both the \$5.6 million dollar bond issue and the capital project expenditures for the Historic Courthouse Renovation Project.

Judge's accounts are mainly change funds for several departments.  
 Treasurer's accounts consist primarily of property taxes, excess commissions, other agencies' funds, and interest not distributed to the appropriate entities.  
 Collector's accounts consist primarily of delinquent taxes not yet distributed to the various taxing units.  
 Sheriff's accounts consist primarily of fees settlement, bond, evidence, and inmate trust money.  
 County Clerk's accounts consist primarily of fee money to be settled with Treasurer.  
 Circuit Clerk's accounts consist of trust money and settlements due to Treasurer.  
 Assessor's accounts consist of copy machine fees not yet remitted to the Treasurer.

WASHINGTON COUNTY, ARKANSAS  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2008  
(Unaudited)

Schedule 3

	<u>December 31, 2008</u>
Land	\$ 3,485,314
Buildings	52,902,298
Equipment	<u>23,227,896</u>
Total	<u>\$ 79,615,508</u>

WASHINGTON COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - REGULATORY BASIS  
 DECEMBER 31, 2008  
 (Unaudited)

	2008	2007	2006	2005	2004
<b><u>General</u></b>					
Total Assets	\$ 28,037,118	\$ 26,612,453	\$ 21,646,716	\$ 17,357,762	\$ 16,636,327
Total Liabilities	856,780	3,899			3,627,468
Total Fund Balances	27,180,338	26,608,554	21,646,716	17,357,762	13,008,859
Net Revenues	29,424,563	27,994,813	26,301,376	21,494,782	21,342,252
Total Expenditures	29,999,741	23,985,423	22,494,083	18,876,987	15,887,807
<b><u>Road</u></b>					
Total Assets	\$ 2,974,502	\$ 2,795,808	\$ 2,813,365	\$ 2,827,856	\$ 2,604,676
Total Liabilities	565,695	816			
Total Fund Balances	2,408,807	2,794,992	2,813,365	2,827,856	2,604,676
Net Revenues	8,081,377	7,579,792	7,874,261	7,985,889	6,925,552
Total Expenditures	8,595,146	7,865,406	8,004,375	7,762,709	12,802,850
<b><u>Other Funds in the Aggregate</u></b>					
Total Assets	\$ 23,230,839	\$ 16,008,508	\$ 17,006,659	\$ 16,921,197	\$ 13,980,061
Total Liabilities	8,803,280	7,936,440	8,744,803	7,215,004	3,918,302
Total Fund Balances	14,427,559	8,072,068	8,261,856	9,706,193	10,061,759
Net Revenues	18,022,610	15,483,780	15,543,794	16,794,791	19,644,398
Total Expenditures	17,750,614	14,718,607	16,391,710	15,750,000	33,297,368

The financial statements are prepared on the regulatory basis of accounting as reported in Note 1(C) of the audit reports.