

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

**December 31, 2018**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas

**Sen. Jason Rapert**  
Senate Chair  
**Sen. Eddie Cheatham**  
Senate Vice Chair



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

Washington 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 Washington County, Arkansas, as of and for the year ended December 31, 2018, and the related notes to the financial statements as listed in the table of contents.

#### ***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 from 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 control. 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 Washington County, Arkansas, as of December 31, 2018, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

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

In our opinion, 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 Washington County, Arkansas, as of December 31, 2018, 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.

### **Other Matters**

#### *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, 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 October 30, 2019, 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, CFF  
Legislative Auditor

Little Rock, Arkansas  
October 30, 2019  
LOCO07218

# Arkansas

**Sen. Jason Rapert**  
Senate Chair  
**Sen. Eddie Cheatham**  
Senate Vice Chair



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

### INDEPENDENT AUDITOR'S REPORT

Washington 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 Washington County, Arkansas, as of and for the year ended December 31, 2018, and the related notes to the financial statements, and have issued our report thereon dated October 30, 2019. 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 unmodified.

#### 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.

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. A *significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### 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*.

We also reported to management of the County in a separate letter dated October 30, 2019.

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



Marti Steel, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 30, 2019

# Arkansas



**Sen. Jason Rapert**  
Senate Chair  
**Sen. Eddie Cheatham**  
Senate Vice Chair

**Rep. Richard Womack**  
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Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2018:

County Judge: Joseph Wood  
Treasurer: Bobby Hill  
Sheriff: Tim Helder  
Tax Collector: Angela Wood  
County Clerk: Becky Lewallen  
Circuit Clerk: Kyle Sylvester  
Assessor: Russell Hill  
County Librarian: Glenda Audrain

No issues came to our attention that we considered necessary of reporting to management.

This letter is intended solely for the information and use of the Legislative Joint Auditing Committee, the Quorum Court and County management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in cursive script that reads "Marti Steel".

Marti Steel, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 30, 2019

WASHINGTON COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2018

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 14,163,793	\$ 3,365,444	\$ 23,228,055
Accounts receivable	4,725,002	576,833	2,610,821
Interfund receivables	130,253	3,760	2,117
<b>TOTAL ASSETS</b>	<b>\$ 19,019,048</b>	<b>\$ 3,946,037</b>	<b>\$ 25,840,993</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 384,141	\$ 440,508	\$ 295,086
Interfund payables	5,877	66,621	63,632
Settlements pending			14,841,729
Total Liabilities	390,018	507,129	15,200,447
Fund Balances:			
Restricted	1,010,187		7,647,439
Assigned	1,659,142	3,438,908	2,994,007
Unassigned	15,959,701		(900)
Total Fund Balances	18,629,030	3,438,908	10,640,546
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 19,019,048</b>	<b>\$ 3,946,037</b>	<b>\$ 25,840,993</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, 2018

Exhibit B

	General	Road	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 2,171,758	\$ 5,164,575	\$ 630,840
Federal aid	134,398	70,717	1,601,526
Property taxes	14,379,187	1,336,318	1,963,962
Sales taxes	4,646,024	3,097,349	10,524,820
Fines, forfeitures, and costs	512,435		1,447,298
Interest	168,252	43,647	90,446
Officers' fees	754,492		1,791,314
Jail telephone commission			262,654
Jail fees	6,440		4,048,713
Insurance premiums collected	1,492,788		
Sanitation fees	3,358		
Franchise fees	198,671		
Landfill fees		550,660	
911 fees			383,127
Treasurer's commission	287,967		55,000
Collector's commission	1,098,403		300,000
Taxes apportioned - Assessor's salary and expense	2,196,817		
Other	1,178,617	295,438	453,472
<b>TOTAL REVENUES</b>	<b>29,229,607</b>	<b>10,558,704</b>	<b>23,553,172</b>
Less: Treasurer's commission	83,320	39,349	64,869
<b>NET REVENUES</b>	<b>29,146,287</b>	<b>10,519,355</b>	<b>23,488,303</b>
<b>EXPENDITURES</b>			
Current:			
General government	12,618,938		938,846
Law enforcement	13,136,052		16,733,301
Highways and streets		10,414,615	991,013
Public safety	1,197,504		1,224,128
Sanitation	390,491		24,482
Health	1,587,670		180,616
Recreation and culture			2,331,157
Social services	357,295		
Total Current	29,287,950	10,414,615	22,423,543
Debt Service:			
Bond principal			320,000
Bond interest and other charges			40,386
<b>TOTAL EXPENDITURES</b>	<b>29,287,950</b>	<b>10,414,615</b>	<b>22,783,929</b>

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

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (141,663)</u>	<u>\$ 104,740</u>	<u>\$ 704,374</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	851,400	220,166	448,806
Transfers out	<u>(448,806)</u>	<u></u>	<u>(1,071,566)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>402,594</u>	<u>220,166</u>	<u>(622,760)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	260,931	324,906	81,614
FUND BALANCES - JANUARY 1	<u>18,368,099</u>	<u>3,114,002</u>	<u>10,558,932</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 18,629,030</u></u>	<u><u>\$ 3,438,908</u></u>	<u><u>\$ 10,640,546</u></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, 2018

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 2,194,336	\$ 2,171,758	\$ (22,578)	\$ 5,113,000	\$ 5,164,575	\$ 51,575
Federal aid	137,503	134,398	(3,105)	63,800	70,717	6,917
Property taxes	13,912,900	14,379,187	466,287	1,376,050	1,336,318	(39,732)
Sales taxes	4,500,000	4,646,024	146,024	3,000,000	3,097,349	97,349
Fines, forfeitures, and costs	475,520	512,435	36,915			
Interest	66,500	168,252	101,752	15,000	43,647	28,647
Officers' fees	773,660	754,492	(19,168)			
Jail fees		6,440	6,440			
Insurance premiums collected	4,800,000	1,492,788	(3,307,212)			
Sanitation fees	12,225	3,358	(8,867)			
Franchise fees	225,000	198,671	(26,329)			
Landfill fees				525,000	550,660	25,660
Treasurer's commission		287,967	287,967			
Collector's commission		1,098,403	1,098,403			
Taxes apportioned - Assessor's salary and expense		2,196,817	2,196,817			
Other	1,522,979	1,178,617	(344,362)	255,600	295,438	39,838
<b>TOTAL REVENUES</b>	<b>28,620,623</b>	<b>29,229,607</b>	<b>608,984</b>	<b>10,348,450</b>	<b>10,558,704</b>	<b>210,254</b>
Less: Treasurer's commission	432,650	83,320	349,330	190,000	39,349	150,651
<b>NET REVENUES</b>	<b>28,187,973</b>	<b>29,146,287</b>	<b>958,314</b>	<b>10,158,450</b>	<b>10,519,355</b>	<b>360,905</b>
EXPENDITURES						
Current:						
General government	12,394,100	12,618,938	(224,838)			
Law enforcement	14,232,754	13,136,052	1,096,702			
Highways and streets				11,216,798	10,414,615	802,183
Public safety	1,294,467	1,197,504	96,963			
Sanitation	406,717	390,491	16,226			
Health	6,786,469	1,587,670	5,198,799			
Social services	383,095	357,295	25,800			
<b>TOTAL EXPENDITURES</b>	<b>35,497,602</b>	<b>29,287,950</b>	<b>6,209,652</b>	<b>11,216,798</b>	<b>10,414,615</b>	<b>802,183</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, 2018

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (7,309,629)	\$ (141,663)	\$ 7,167,966	\$ (1,058,348)	\$ 104,740	\$ 1,163,088
OTHER FINANCING SOURCES (USES)						
Transfers in	4,362,962	851,400	(3,511,562)		220,166	220,166
Transfers out	(451,121)	(448,806)	2,315			
TOTAL OTHER FINANCING SOURCES (USES)	3,911,841	402,594	(3,509,247)		220,166	220,166
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,397,788)	260,931	3,658,719	(1,058,348)	324,906	1,383,254
FUND BALANCES - JANUARY 1	13,864,790	18,368,099	4,503,309	2,400,000	3,114,002	714,002
FUND BALANCES - DECEMBER 31	\$ 10,467,002	\$ 18,629,030	\$ 8,162,028	\$ 1,341,652	\$ 3,438,908	\$ 2,097,256

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

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**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.

The regulatory basis of presentation is not in accordance with generally accepted accounting principles (GAAP). GAAP require that basic financial statements present government-wide and fund financial statements. Additionally, GAAP require the following major concepts: Management's Discussion and Analysis, separate financial statements for fiduciary fund types, specific procedures for the identification of major governmental funds, and applicable note disclosures. The regulatory basis of presentation does not require government-wide financial statements or the previously identified concepts.

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

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

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

**Road Fund** - The Road Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Road Fund accounts for and reports proceeds of state highway turnback, property taxes, sales taxes, and federal aid that are restricted or committed for maintaining and constructing roads.

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

**Special Revenue Funds** - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. See Schedules 1 and 2 for Special Revenue Funds as reported with other funds in the aggregate.

**Debt Service Funds** - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. See Schedules 1 and 2 for the Debt Service Fund reported with other funds in the aggregate.

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

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**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. Liabilities incurred by the government on or before the end of the current period that are paid within 60 days of the end of the current period, are considered to be expenditures of the current period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements.

The regulatory basis of accounting is not in accordance with generally accepted accounting principles (GAAP). GAAP require the following major concepts: Accrual basis of accounting for government-wide financial statements, including depreciation expense, modified accrual basis of accounting for fund financial statements, separate identification of special and extraordinary items, inclusion of capital assets and debt in the financial statements, inclusion of the net pension liability in the financial statements, and applicable note disclosures. The regulatory basis of accounting does not require the previously identified concepts.

**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.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, fees, trust, excess commissions/salary, and expense and interest 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.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

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

**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 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 Deposits with Financial Institutions**

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 3,745,213	\$ 3,756,729
Collateralized:		
Collateral held by the County's agent, pledging bank or pledging bank's trust department or agent in the County's name	37,007,169	37,246,608
Total Deposits	\$ 40,752,382	\$ 41,003,337

The above total deposits do not include cash on hand of \$4,910.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**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: Accounts Receivable**

The accounts receivable balance at December 31, 2018, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Federal aid	\$ 20,544		\$ 188,314
Property taxes	127,332	\$ 8,858	
Sales taxes	383,736	255,824	877,618
Fines, forfeitures, and costs	67,833		200,127
Interest	17,155	4,635	9,179
Officers' fees	22,499		128,740
Jail telephone commission			40,413
Jail fees	276		462,391
Franchise fees	49,522		
Landfill fees		138,351	
911 fees			31,931
Treasurer's commission	287,967		55,000
Collector's commission	1,098,403		300,000
Taxes apportioned - Assessor's salary and expense	2,196,817		
Other	98,813	1,954	38,476
Treasurer's commission charged	354,105	167,211	278,632
<b>Totals</b>	<b><u>\$ 4,725,002</u></b>	<b><u>\$ 576,833</u></b>	<b><u>\$ 2,610,821</u></b>



WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2018, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	<u>\$ 384,141</u>	<u>\$ 440,508</u>	<u>\$ 295,086</u>

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

	Receivables	Payables
General Fund	\$ 130,253	\$ 5,877
Road Fund	3,760	66,621
Other Funds in the Aggregate:		
Special Revenue Funds:		
Treasurer's Automation		2,021
Collector's Automation	867	6,148
Child Support Collections Costs		11,044
Adult Drug Court Program		30,229
High Intensity Drug Trafficking Area (HIDTA) Grant		11,826
Environmental Affairs Grant	112	
Animal Shelter Projects		50
Juvenile Court Grant		1,414
Arkansas Heritage Preservation Grant		900
Court Security Grant	1,138	
	<u>\$ 136,130</u>	<u>\$ 136,130</u>

Interfund receivables and payables consist of interfund loans. These balances were repaid by March 31, 2019.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 7: Details of Fund Balance Classifications**

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 2,935,811
Law enforcement			1,037,467
Highways and streets			9,747
Public safety			974,625
Health			56,626
Recreation and culture			1,481,080
Health insurance premiums	\$ 1,010,187		
Debt service			1,152,083
Total Restricted	<u>1,010,187</u>		<u>7,647,439</u>
Assigned to:			
Law enforcement	5,771		2,700,798
Highways and streets		\$ 3,438,908	
Public safety			170,408
Health	922		112,732
Recreation and culture			10,069
Health insurance premiums	1,652,449		
Total Assigned	<u>1,659,142</u>	<u>3,438,908</u>	<u>2,994,007</u>
Unassigned	<u>15,959,701</u>		<u>(900)</u>
Totals	<u>\$ 18,629,030</u>	<u>\$ 3,438,908</u>	<u>\$ 10,640,546</u>

**NOTE 8: Deficit Fund Balance**

The following fund has a deficit fund balance as of December 31, 2018:

	December 31, 2018
Other Funds in the Aggregate:	
Arkansas Heritage Preservation Grant	<u>\$ (900)</u>

WASHINGTON COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2018

**NOTE 9: 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, 2018, the legal debt limit for bonded debt was \$352,106,515. 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, 2018, the legal debt limit for short-term financing obligations was \$92,800,902. There were no short-term financing obligations.

**NOTE 10: Commitments**

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

	December 31, 2018
Long-term liabilities	\$ 2,315,845
Reappraisal contract	1,996,222
Construction contract	84,350
Total Commitments	\$ 4,396,417

Long-term Liabilities

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

	December 31, 2018
Capital Improvement Refunding Revenue Bonds (Historic Courthouse Project) - Series 2013 for refunding the Capital Improvement Revenue Bonds (Historic Courthouse Project) - Series 2008, dated January 16, 2013, in the amount of \$2,990,000. Interest rates of .7 to 3%. Interest is payable semi-annually on May 1 to November 1 with principal payable on November 1. Bonds mature November 1, 2022. Payments are to be made from the Capital Improvement Refunding Revenue Bond (Historic Courthouse Project) Debt Service Fund.	\$ 1,225,000
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	1,090,845
Total Long-term liabilities	\$ 2,315,845

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

WASHINGTON COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2018

**NOTE 10: 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, 2018:

Years Ending December 31,	Bonds
2019	\$ 356,236
2020	354,330
2021	356,080
2022	236,900
Total Obligations	1,303,546
Less Interest	78,546
Total Principal	\$ 1,225,000

Reappraisal Contract

The County entered into a professional services contract for \$4,990,555 with Arkansas CAMA Technology for real estate appraisal and reappraisal maintenance on October 22, 2015. Terms of the contract call for 60 monthly payments of \$83,176 commencing on January 1, 2016. The County is obligated for the following amounts at December 31, 2018:

Year	December 31, 2018
2019	\$ 998,111
2020	998,111
Total	\$ 1,996,222

Reappraisal expense for 2018 was \$998,111.

Construction Contract

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

Project Name	Completion Date	Contract Balance December 31, 2018
Crisis Stabilization Unit Renovation	June 24, 2019	\$ 84,350

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 11: Interfund Transfers**

The General Fund transferred \$448,806 to the Other Funds in the Aggregate (HIV Clinic \$38,806 and Jail Maintenance \$410,000) for HIV 2017 expenses and to supplement Jail Maintenance. Other Funds in the Aggregate (FEMA) transferred \$220,166 of excess funds to the Road Fund. Additionally, Other Funds in the Aggregate (County Recorder's Cost) transferred \$851,400 of excess funds to the General Fund.

**NOTE 12: Pledged Revenues**

Fines and Court Costs in Criminal and Juvenile Matters-Circuit Court

The County pledged future revenues received by the County 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 hearing such matters) in the County that remain after the payment of prior claims that the County is legally obligated to make from such funds to repay \$2,990,000 in refunding bonds that were delivered on January 16, 2013, to provide refunding of Capital Improvement Revenue Bonds issued November 19, 2008. Total principal and interest remaining on the bonds are \$1,225,000 and \$78,546, respectively, payable through November 1, 2022. For 2018, principal and interest paid were \$320,000 and \$37,636, respectively.

The Capital Improvement Refunding Revenue Bond Fund (Historic Courthouse Project) received \$379,040 from these revenue sources in 2018. Any revenue collected in excess of debt service requirements may be used at the option of the County for administration of justice purposes.

**NOTE 13: Joint Venture**

Washington County Ambulance Authority

Washington County and the cities of Elkins, Elm Springs, Fayetteville, Farmington, Goshen, Greenland, Lincoln, Prairie Grove, Tontitown, West Fork, Winslow, and Johnson entered into an agreement on November 19, 2015, pursuant to Ark. Code Ann. §§ 14-14-910, 14-266-102, and 25-20-101 to establish the Washington County Ambulance Authority (Authority). The purpose of the Authority is to provide emergency and non-emergency medical services. Terms of the agreements call for Washington County to pay a minimum contribution of \$892,774 per year for operations and \$28,400 per year for financing ambulance and equipment through the end of 2020. Washington County paid the authority \$921,682 during 2018.

**NOTE 14: Jointly Governed Organizations**

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 (the District). In 2018, Washington County transferred the operation of the Washington County Hazardous Waste Program and the Rural Recycling Program to the District. Washington County paid \$218,026 to the Solid Waste District during 2018. Separate financial statements of the Boston Mountain Solid Waste District may be obtained at 11398 Bond Road Boston Mountain, Prairie Grove, Arkansas 72752.

Ozark Regional Transit

Washington County participates in the Ozark Regional Transit, Inc. (ORT), a jointly governed organization. The ORT provides transit services among the various locations of its members. The majority of the ORT funding is through the Federal Transportation Administration (FTA), which includes both rural and urbanized area funding and local funding that is provided by the members of the ORT. The FTA rural funding is provided through the Arkansas Highway and Transportation Department. Other participants include Benton County, as well as other entities within these counties. In 2018, Washington County paid \$24,065 to ORT for their share of the transportation benefits provided to its members. Financial statements may be obtained at Ozark Regional Transit, 2423 E. Robinson Avenue, Springdale, AR 72764.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 14: Jointly Governed Organizations (Continued)**

Fourth Judicial District Drug Task Force

The Prosecuting Attorney of the Fourth Judicial District, the Washington County Sheriff's Department, the Madison County Sheriff's Department and the Police Departments of the University of Arkansas, Fayetteville, Springdale, Prairie Grove, Lincoln, Farmington, Johnson, Elkins, Greenland, West Fork, Elm Springs, Tontitown, Huntsville, and Goshen entered into an agreement to establish the Fourth Judicial District Drug Task Force. Funding was provided through Justice Assistance Grants and local funding provided by the Prosecuting Attorney's Office. Washington County Sheriff's Department and local police departments. Separate financial statements for the Fourth Judicial Drug Task Force were not available.

**NOTE 15: Joint Operations**

Bomb Squad

Washington County and the City of Bentonville entered into an interlocal agreement on February 12, 2010, regarding the Bomb Squad. The agreement states that equipment purchased with grant funds awarded to the County, and formally in the possession of the City of Springdale, shall remain the property of Washington County, but now will be in the physical possession of the Bentonville Bomb Squad so long as it is actively functioning as contemplated by the County. The City of Bentonville is to insure this equipment whose cost approximated \$796,501 as of December 31, 2018.

**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 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.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 16: Risk Management (Continued)**

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 \$300,000 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.

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

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan. APERS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by writing to Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201, by calling 1-800-682-7377, or on their website [www.apers.org](http://www.apers.org).

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended June 30, 2018 (date of APERS Employer Allocation Report) were \$3,763,791.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, is limited to disclosure of the County's share of the collective net pension liability. The County's proportionate share of the collective net pension liability at June 30, 2018 (actuarial valuation date and measurement date) was \$30,051,414.

**NOTE 18: Self-Insured Benefits**

The County provided 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, 2018, the balance in the Employee Self Insured account was \$2,662,636. To safeguard against catastrophic claims expenses, the County also maintains a reinsurance policy with Sirius America Insurance Company, which will fund individual claims that exceed \$175,000 per occurrence up to \$1,000,000.

WASHINGTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018

**NOTE 19: Subsequent Events**

The County signed a contract on April 17, 2019, with Pick-It Construction, Inc. for the partial renovation of a County owned building for use as the Crisis Stabilization Unit for contractor fee of \$40,000 and a guaranteed maximum price of \$200,000.

The County approved Washington County Ordinance no. 2019-41 on May 28, 2019, providing for the execution and delivery of an equipment lease purchase agreement between Washington County and Sterling National Bank, providing for the payment of lease payments and the execution and delivery of an escrow agreement, and ratify the execution and delivery of a performance contract, dated April 23, 2019, between Washington County, Arkansas and Johnson Controls, Inc.

**NOTE 20: Federal Funds Program Compliance**

A federal compliance audit of the County's federal grants was performed for the year ended December 31, 2018, with a report date of September 19, 2019. The following material weakness was noted in the report:

Finding 2018-001: The SEFA, as prepared by Washington County, Arkansas, Federal Programs (the "County"), did not include an accurate record of total expenses for the Federal Grants as expended the year the expenditures occurred.



WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	County Clerk's Operation
<b>ASSETS</b>								
Cash and cash equivalents	\$ 156,733	\$ 530,580	\$ 163,929	\$ 130,579	\$ 577,252	\$ 1,000,000	\$ 1,322,237	\$ 38,389
Accounts receivable	55,000	300,007	2,544	139	10,257	136,568	48,653	423
Interfund receivables		867						
<b>TOTAL ASSETS</b>	<b>\$ 211,733</b>	<b>\$ 831,454</b>	<b>\$ 166,473</b>	<b>\$ 130,718</b>	<b>\$ 587,509</b>	<b>\$ 1,136,568</b>	<b>\$ 1,370,890</b>	<b>\$ 38,812</b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 24	\$ 3,857	\$ 614		\$ 2,991	\$ 2,156	\$ 1,825	
Interfund payables	2,021	6,148						
Settlements pending								
<b>Total Liabilities</b>	<b>2,045</b>	<b>10,005</b>	<b>614</b>		<b>2,991</b>	<b>2,156</b>	<b>1,825</b>	
<b>Fund Balances:</b>								
Restricted	209,688	821,449	165,859	\$ 130,718	584,518	1,134,412	1,369,065	\$ 38,812
Assigned								
Unassigned								
<b>Total Fund Balances</b>	<b>209,688</b>	<b>821,449</b>	<b>165,859</b>	<b>130,718</b>	<b>584,518</b>	<b>1,134,412</b>	<b>1,369,065</b>	<b>38,812</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 211,733</b>	<b>\$ 831,454</b>	<b>\$ 166,473</b>	<b>\$ 130,718</b>	<b>\$ 587,509</b>	<b>\$ 1,136,568</b>	<b>\$ 1,370,890</b>	<b>\$ 38,812</b>

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018

Schedule 1

SPECIAL REVENUE FUNDS								
	Child Support Collections Costs	Communication Facility and Equipment	Jail Operations Sales Tax	Boating Safety and Enforcement	Emergency 911	Adult Drug Court Program	Circuit Court Juvenile Division	Juvenile Court Representation
<b>ASSETS</b>								
Cash and cash equivalents	\$ 11,044	\$ 201,667	\$ 978,725	\$ 14,073	\$ 952,913	\$ 30,229	\$ 12,184	\$ 2,057
Accounts receivable	195	49,644	1,707,499	175	39,421	2,567	1,031	53
Interfund receivables								
<b>TOTAL ASSETS</b>	<b><u>\$ 11,239</u></b>	<b><u>\$ 251,311</u></b>	<b><u>\$ 2,686,224</u></b>	<b><u>\$ 14,248</u></b>	<b><u>\$ 992,334</u></b>	<b><u>\$ 32,796</u></b>	<b><u>\$ 13,215</u></b>	<b><u>\$ 2,110</u></b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable		\$ 14,512	\$ 222,225	\$ 261	\$ 17,709		\$ 1,158	
Interfund payables	\$ 11,044					\$ 30,229		
Settlements pending								
<b>Total Liabilities</b>	<b><u>11,044</u></b>	<b><u>14,512</u></b>	<b><u>222,225</u></b>	<b><u>261</u></b>	<b><u>17,709</u></b>	<b><u>30,229</u></b>	<b><u>1,158</u></b>	
<b>Fund Balances:</b>								
Restricted	195			13,987	974,625	2,567	12,057	\$ 2,110
Assigned		236,799	2,463,999					
Unassigned								
<b>Total Fund Balances</b>	<b><u>195</u></b>	<b><u>236,799</u></b>	<b><u>2,463,999</u></b>	<b><u>13,987</u></b>	<b><u>974,625</u></b>	<b><u>2,567</u></b>	<b><u>12,057</u></b>	<b><u>2,110</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 11,239</u></b>	<b><u>\$ 251,311</u></b>	<b><u>\$ 2,686,224</u></b>	<b><u>\$ 14,248</u></b>	<b><u>\$ 992,334</u></b>	<b><u>\$ 32,796</u></b>	<b><u>\$ 13,215</u></b>	<b><u>\$ 2,110</u></b>

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018

Schedule 1

SPECIAL REVENUE FUNDS

	Circuit Clerk Commissioner's Fee	Federal Emergency Management (FEMA)	Northwest Arkansas Regional HIV Clinic	Drug Enforcement- State	Drug Enforcement- Federal	Drug Court Program	High Intensity Drug Trafficking Area (HIDTA) Grant	Rural Community Grant
<b>ASSETS</b>								
Cash and cash equivalents	\$ 23,053	\$ 13,778	\$ 112,529	\$ 39,639	\$ 23,774	\$ 173,494		\$ 122,208
Accounts receivable	125		207	1,612	8,351	2,375	\$ 109,016	
Interfund receivables								
<b>TOTAL ASSETS</b>	<b><u>\$ 23,178</u></b>	<b><u>\$ 13,778</u></b>	<b><u>\$ 112,736</u></b>	<b><u>\$ 41,251</u></b>	<b><u>\$ 32,125</u></b>	<b><u>\$ 175,869</u></b>	<b><u>\$ 109,016</u></b>	<b><u>\$ 122,208</u></b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable		\$ 4,031	\$ 4		\$ 50			\$ 124
Interfund payables						\$ 11,826		
Settlements pending								
<b>Total Liabilities</b>		<b><u>4,031</u></b>	<b><u>4</u></b>		<b><u>50</u></b>		<b><u>11,826</u></b>	<b><u>124</u></b>
<b>Fund Balances:</b>								
Restricted	\$ 23,178	9,747		\$ 41,251	32,075	\$ 175,869	97,190	112,015
Assigned			112,732					10,069
Unassigned								
<b>Total Fund Balances</b>	<b><u>23,178</u></b>	<b><u>9,747</u></b>	<b><u>112,732</u></b>	<b><u>41,251</u></b>	<b><u>32,075</u></b>	<b><u>175,869</u></b>	<b><u>97,190</u></b>	<b><u>122,084</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 23,178</u></b>	<b><u>\$ 13,778</u></b>	<b><u>\$ 112,736</u></b>	<b><u>\$ 41,251</u></b>	<b><u>\$ 32,125</u></b>	<b><u>\$ 175,869</u></b>	<b><u>\$ 109,016</u></b>	<b><u>\$ 122,208</u></b>

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018

Schedule 1

SPECIAL REVENUE FUNDS								
	Juvenile Detention Center Grant	Department of Emergency Management Grant	Environmental Affairs Grant	Drug Court Grant	Law Enforcement Grants	Animal Shelter Projects	County Law Library	Juvenile Court Grant
<b>ASSETS</b>								
Cash and cash equivalents	\$ 28,160	\$ 168,177	\$ 3,100	\$ 2,250	\$ 21,926	\$ 46,765	\$ 343,273	
Accounts receivable		2,365		75,825		520	11,113	\$ 3,473
Interfund receivables			112					
<b>TOTAL ASSETS</b>	<b><u>\$ 28,160</u></b>	<b><u>\$ 170,542</u></b>	<b><u>\$ 3,212</u></b>	<b><u>\$ 78,075</u></b>	<b><u>\$ 21,926</u></b>	<b><u>\$ 47,285</u></b>	<b><u>\$ 354,386</u></b>	<b><u>\$ 3,473</u></b>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 5,909	\$ 134	\$ 3,212	\$ 1,142	\$ 1,275	\$ 609	\$ 4,682	\$ 274
Interfund payables						50		1,414
Settlements pending								
<b>Total Liabilities</b>	<b><u>5,909</u></b>	<b><u>134</u></b>	<b><u>3,212</u></b>	<b><u>1,142</u></b>	<b><u>1,275</u></b>	<b><u>659</u></b>	<b><u>4,682</u></b>	<b><u>1,688</u></b>
<b>Fund Balances:</b>								
Restricted	22,251			76,933	20,651	46,626	349,704	1,785
Assigned		170,408						
Unassigned								
<b>Total Fund Balances</b>	<b><u>22,251</u></b>	<b><u>170,408</u></b>		<b><u>76,933</u></b>	<b><u>20,651</u></b>	<b><u>46,626</u></b>	<b><u>349,704</u></b>	<b><u>1,785</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 28,160</u></b>	<b><u>\$ 170,542</u></b>	<b><u>\$ 3,212</u></b>	<b><u>\$ 78,075</u></b>	<b><u>\$ 21,926</u></b>	<b><u>\$ 47,285</u></b>	<b><u>\$ 354,386</u></b>	<b><u>\$ 3,473</u></b>

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018

Schedule 1

	<u>SPECIAL REVENUE FUNDS</u>				<u>DEBT SERVICE FUND</u>
	<u>Assessor's Late Assessment Fee</u>	<u>Arkansas Heritage Preservation Grant</u>	<u>Court Security Grant</u>	<u>Animal Shelter Grant</u>	<u>Capital Improvement Refunding Revenue Bond (Historic Courthouse Project)</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 16,019		\$ 5,170		\$ 1,120,420
Accounts receivable				\$ 10,000	31,663
Interfund receivables			1,138		
<b>TOTAL ASSETS</b>	<u>\$ 16,019</u>		<u>\$ 6,308</u>	<u>\$ 10,000</u>	<u>\$ 1,152,083</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable			\$ 6,308		
Interfund payables		\$ 900			
Settlements pending					
<b>Total Liabilities</b>		<u>900</u>	<u>6,308</u>		
<b>Fund Balances:</b>					
Restricted	\$ 16,019			\$ 10,000	\$ 1,152,083
Assigned					
Unassigned		(900)			
<b>Total Fund Balances</b>	<u>16,019</u>	<u>(900)</u>		<u>10,000</u>	<u>1,152,083</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 16,019</u>	<u>\$ 0</u>	<u>\$ 6,308</u>	<u>\$ 10,000</u>	<u>\$ 1,152,083</u>

WASHINGTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2018

Schedule 1

AGENCY FUNDS									
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	County Assessor's Accounts	Juvenile Services	County Judge	Totals
<b>ASSETS</b>									
Cash and cash equivalents	\$ 11,873,367	\$ 1,022,337	\$ 367,860	\$ 72,890	\$ 1,504,975	\$ 150	\$ 100	\$ 50	\$ 23,228,055
Accounts receivable									2,610,821
Interfund receivables									2,117
<b>TOTAL ASSETS</b>	<b>\$ 11,873,367</b>	<b>\$ 1,022,337</b>	<b>\$ 367,860</b>	<b>\$ 72,890</b>	<b>\$ 1,504,975</b>	<b>\$ 150</b>	<b>\$ 100</b>	<b>\$ 50</b>	<b>\$ 25,840,993</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable									\$ 295,086
Interfund payables									63,632
Settlements pending	\$ 11,873,367	\$ 1,022,337	\$ 367,860	\$ 72,890	\$ 1,504,975	\$ 150	\$ 100	\$ 50	14,841,729
<b>Total Liabilities</b>	<b>11,873,367</b>	<b>1,022,337</b>	<b>367,860</b>	<b>72,890</b>	<b>1,504,975</b>	<b>150</b>	<b>100</b>	<b>50</b>	<b>15,200,447</b>
<b>Fund Balances:</b>									
Restricted									7,647,439
Assigned									2,994,007
Unassigned									(900)
<b>Total Fund Balances</b>									<b>10,640,546</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 11,873,367</b>	<b>\$ 1,022,337</b>	<b>\$ 367,860</b>	<b>\$ 72,890</b>	<b>\$ 1,504,975</b>	<b>\$ 150</b>	<b>\$ 100</b>	<b>\$ 50</b>	<b>\$ 25,840,993</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, 2018

Schedule 2

	SPECIAL REVENUE FUNDS							
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	County Public Library	County Clerk's Operation
REVENUES								
State aid				\$ 50,995			\$ 439,139	
Federal aid								
Property taxes							1,954,077	
Sales taxes								
Fines, forfeitures, and costs								
Interest	\$ 1,782	\$ 6,972	\$ 1,959	1,619	\$ 6,573	\$ 13,007	13,130	\$ 450
Officers' fees			27,264		115,265	1,501,056		4,260
Jail telephone commission								
Jail fees								
911 fees								
Treasurer's commission	55,000							
Collector's commission		300,000						
Other	40	441		14	143	33	1,569	
<b>TOTAL REVENUES</b>	<b>56,822</b>	<b>307,413</b>	<b>29,223</b>	<b>52,628</b>	<b>121,981</b>	<b>1,514,096</b>	<b>2,407,915</b>	<b>4,710</b>
Less: Treasurer's commission			112		465	5,778	7,957	18
<b>NET REVENUES</b>	<b>56,822</b>	<b>307,413</b>	<b>29,111</b>	<b>52,628</b>	<b>121,516</b>	<b>1,508,318</b>	<b>2,399,958</b>	<b>4,692</b>
EXPENDITURES								
Current:								
General government	9,771	225,238		11,181	42,724	637,763		1,125
Law enforcement			16,967					
Highways and streets								
Public safety								
Sanitation								
Health								
Recreation and culture							2,289,593	
<b>Total Current</b>	<b>9,771</b>	<b>225,238</b>	<b>16,967</b>	<b>11,181</b>	<b>42,724</b>	<b>637,763</b>	<b>2,289,593</b>	<b>1,125</b>
Debt Service:								
Bond principal								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>9,771</b>	<b>225,238</b>	<b>16,967</b>	<b>11,181</b>	<b>42,724</b>	<b>637,763</b>	<b>2,289,593</b>	<b>1,125</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>47,051</b>	<b>82,175</b>	<b>12,144</b>	<b>41,447</b>	<b>78,792</b>	<b>870,555</b>	<b>110,365</b>	<b>3,567</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out						(851,400)		
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>						<b>(851,400)</b>		
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>47,051</b>	<b>82,175</b>	<b>12,144</b>	<b>41,447</b>	<b>78,792</b>	<b>19,155</b>	<b>110,365</b>	<b>3,567</b>
FUND BALANCES - JANUARY 1	162,637	739,274	153,715	89,271	505,726	1,115,257	1,258,700	35,245
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 209,688</b>	<b>\$ 821,449</b>	<b>\$ 165,859</b>	<b>\$ 130,718</b>	<b>\$ 584,518</b>	<b>\$ 1,134,412</b>	<b>\$ 1,369,065</b>	<b>\$ 38,812</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, 2018

Schedule 2

	SPECIAL REVENUE FUNDS							
	Child Support Collections Costs	Communication Facility and Equipment	Jail Operations Sales Tax	Boating Safety and Enforcement	Emergency 911	Adult Drug Court Program	Circuit Court Juvenile Division	Juvenile Court Representation
REVENUES								
State aid				\$ 9,539				
Federal aid								
Property taxes								
Sales taxes			\$ 10,524,820					
Fines, forfeitures, and costs			920,951					
Interest	\$ 110	\$ 3,006	6,501	151	\$ 13,662	\$ 214	\$ 200	\$ 21
Officers' fees	10,771	49,136				30,048	6,941	650
Jail telephone commission		262,654						
Jail fees			4,048,713					
911 fees					383,127			
Treasurer's commission								
Collector's commission								
Other		3,013	236,114	3	112		29	
<b>TOTAL REVENUES</b>	<b>10,881</b>	<b>317,809</b>	<b>15,737,099</b>	<b>9,693</b>	<b>396,901</b>	<b>30,262</b>	<b>7,170</b>	<b>671</b>
Less: Treasurer's commission	42	1,241	45,447	37	1,515	116	27	2
<b>NET REVENUES</b>	<b>10,839</b>	<b>316,568</b>	<b>15,691,652</b>	<b>9,656</b>	<b>395,386</b>	<b>30,146</b>	<b>7,143</b>	<b>669</b>
EXPENDITURES								
Current:								
General government	11,044							
Law enforcement		300,735	15,556,488	4,318		30,229	16,548	
Highways and streets								
Public safety					633,093			
Sanitation								
Health								
Recreation and culture								
Total Current	11,044	300,735	15,556,488	4,318	633,093	30,229	16,548	
Debt Service:								
Bond principal								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>11,044</b>	<b>300,735</b>	<b>15,556,488</b>	<b>4,318</b>	<b>633,093</b>	<b>30,229</b>	<b>16,548</b>	
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(205)</b>	<b>15,833</b>	<b>135,164</b>	<b>5,338</b>	<b>(237,707)</b>	<b>(83)</b>	<b>(9,405)</b>	<b>669</b>
OTHER FINANCING SOURCES (USES)								
Transfers in			410,000					
Transfers out								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			<b>410,000</b>					
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(205)</b>	<b>15,833</b>	<b>545,164</b>	<b>5,338</b>	<b>(237,707)</b>	<b>(83)</b>	<b>(9,405)</b>	<b>669</b>
FUND BALANCES - JANUARY 1	400	220,966	1,918,835	8,649	1,212,332	2,650	21,462	1,441
FUND BALANCES - DECEMBER 31	<u>\$ 195</u>	<u>\$ 236,799</u>	<u>\$ 2,463,999</u>	<u>\$ 13,987</u>	<u>\$ 974,625</u>	<u>\$ 2,567</u>	<u>\$ 12,057</u>	<u>\$ 2,110</u>



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, 2018

Schedule 2

	SPECIAL REVENUE FUNDS							
	Circuit Clerk Commissioner's Fee	Federal Emergency Management (FEMA)	Northwest Arkansas Regional HIV Clinic	Drug Enforcement- State	Drug Enforcement- Federal	Drug Court Program	High Intensity Drug Trafficking Area (HIDTA) Grant	Rural Community Grant
REVENUES								
State aid								\$ 75,000
Federal aid		\$ 388,074					\$ 367,504	
Property taxes								
Sales taxes								
Fines, forfeitures, and costs				\$ 11,619	\$ 24,722			
Interest	\$ 364		\$ 2,286	557	370	\$ 1,982		
Officers' fees	5,597					27,975		
Jail telephone commission								
Jail fees								
911 fees								
Treasurer's commission								
Collector's commission								
Other			128,279					
<b>TOTAL REVENUES</b>	<b>5,961</b>	<b>388,074</b>	<b>130,565</b>	<b>12,176</b>	<b>25,092</b>	<b>29,957</b>	<b>367,504</b>	<b>75,000</b>
Less: Treasurer's commission	23		8	73		112		
<b>NET REVENUES</b>	<b>5,938</b>	<b>388,074</b>	<b>130,557</b>	<b>12,103</b>	<b>25,092</b>	<b>29,845</b>	<b>367,504</b>	<b>75,000</b>
EXPENDITURES								
Current:								
General government								
Law enforcement	24,028			15,550	23,936		307,929	
Highways and streets		991,013						
Public safety								
Sanitation								
Health			175,454					
Recreation and culture								40,664
Total Current	24,028	991,013	175,454	15,550	23,936		307,929	40,664
Debt Service:								
Bond principal								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>24,028</b>	<b>991,013</b>	<b>175,454</b>	<b>15,550</b>	<b>23,936</b>		<b>307,929</b>	<b>40,664</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(18,090)</b>	<b>(602,939)</b>	<b>(44,897)</b>	<b>(3,447)</b>	<b>1,156</b>	<b>29,845</b>	<b>59,575</b>	<b>34,336</b>
OTHER FINANCING SOURCES (USES)								
Transfers in			38,806					
Transfers out		(220,166)						
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>(220,166)</b>	<b>38,806</b>					
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(18,090)</b>	<b>(823,105)</b>	<b>(6,091)</b>	<b>(3,447)</b>	<b>1,156</b>	<b>29,845</b>	<b>59,575</b>	<b>34,336</b>
FUND BALANCES - JANUARY 1	41,268	832,852	118,823	44,698	30,919	146,024	37,615	87,748
FUND BALANCES - DECEMBER 31	<u>\$ 23,178</u>	<u>\$ 9,747</u>	<u>\$ 112,732</u>	<u>\$ 41,251</u>	<u>\$ 32,075</u>	<u>\$ 175,869</u>	<u>\$ 97,190</u>	<u>\$ 122,084</u>

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, 2018

Schedule 2

	SPECIAL REVENUE FUNDS							
	Juvenile Detention Center Grant	Department of Emergency Management Grant	Environmental Affairs Grant	Drug Court Grant	Law Enforcement Grants	Animal Shelter Projects	County Law Library	Juvenile Court Grant
REVENUES								
State aid	\$ 31,167				\$ 10,000			
Federal aid		\$ 547,580		\$ 271,925	14,024			\$ 12,419
Property taxes								
Sales taxes								
Fines, forfeitures, and costs							\$ 110,966	
Interest							5,130	
Officers' fees							12,351	
Jail telephone commission								
Jail fees								
911 fees								
Treasurer's commission								
Collector's commission								
Other		36,855	\$ 24,322			\$ 7,186		
<b>TOTAL REVENUES</b>	<b>31,167</b>	<b>584,435</b>	<b>24,322</b>	<b>271,925</b>	<b>24,024</b>	<b>7,186</b>	<b>128,447</b>	<b>12,419</b>
Less: Treasurer's commission							431	
<b>NET REVENUES</b>	<b>31,167</b>	<b>584,435</b>	<b>24,322</b>	<b>271,925</b>	<b>24,024</b>	<b>7,186</b>	<b>128,016</b>	<b>12,419</b>
EXPENDITURES								
Current:								
General government								
Law enforcement	34,061			253,997	44,321		93,192	11,002
Highways and streets								
Public safety		576,035						
Sanitation			24,482					
Health						5,162		
Recreation and culture								
Total Current	34,061	576,035	24,482	253,997	44,321	5,162	93,192	11,002
Debt Service:								
Bond principal								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>34,061</b>	<b>576,035</b>	<b>24,482</b>	<b>253,997</b>	<b>44,321</b>	<b>5,162</b>	<b>93,192</b>	<b>11,002</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,894)</b>	<b>8,400</b>	<b>(160)</b>	<b>17,928</b>	<b>(20,297)</b>	<b>2,024</b>	<b>34,824</b>	<b>1,417</b>
OTHER FINANCING SOURCES (USES)								
Transfers in								
Transfers out								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>								
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(2,894)</b>	<b>8,400</b>	<b>(160)</b>	<b>17,928</b>	<b>(20,297)</b>	<b>2,024</b>	<b>34,824</b>	<b>1,417</b>
FUND BALANCES - JANUARY 1	25,145	162,008	160	59,005	40,948	44,602	314,880	368
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 22,251</b>	<b>\$ 170,408</b>	<b>\$ 0</b>	<b>\$ 76,933</b>	<b>\$ 20,651</b>	<b>\$ 46,626</b>	<b>\$ 349,704</b>	<b>\$ 1,785</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, 2018

Schedule 2

	SPECIAL REVENUE FUNDS				DEBT SERVICE FUND	Totals
	Assessor's Late Assessment Fee	Arkansas Heritage Preservation Grant	Court Security Grant	Animal Shelter Grant	Capital Improvement Refunding Revenue Bond (Historic Courthouse Project)	
REVENUES						
State aid			\$ 15,000			\$ 630,840
Federal aid						1,601,526
Property taxes	\$ 9,885					1,963,962
Sales taxes						10,524,820
Fines, forfeitures, and costs					\$ 379,040	1,447,298
Interest	110				10,290	90,446
Officers' fees						1,791,314
Jail telephone commission						262,654
Jail fees						4,048,713
911 fees						383,127
Treasurer's commission						55,000
Collector's commission						300,000
Other				\$ 10,000	5,319	453,472
<b>TOTAL REVENUES</b>	<b>9,995</b>		<b>15,000</b>	<b>10,000</b>	<b>394,649</b>	<b>23,553,172</b>
Less: Treasurer's commission					1,465	64,869
<b>NET REVENUES</b>	<b>9,995</b>		<b>15,000</b>	<b>10,000</b>	<b>393,184</b>	<b>23,488,303</b>
EXPENDITURES						
Current:						
General government						938,846
Law enforcement						16,733,301
Highways and streets						991,013
Public safety			15,000			1,224,128
Sanitation						24,482
Health						180,616
Recreation and culture		\$ 900				2,331,157
Total Current		900	15,000			22,423,543
Debt Service:						
Bond principal					320,000	320,000
Bond interest and other charges					40,386	40,386
<b>TOTAL EXPENDITURES</b>		<b>900</b>	<b>15,000</b>		<b>360,386</b>	<b>22,783,929</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,995</b>	<b>(900)</b>	<b>0</b>	<b>10,000</b>	<b>32,798</b>	<b>704,374</b>
OTHER FINANCING SOURCES (USES)						
Transfers in						448,806
Transfers out						(1,071,566)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>						<b>(622,760)</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>9,995</b>	<b>(900)</b>	<b>0</b>	<b>10,000</b>	<b>32,798</b>	<b>81,614</b>
FUND BALANCES - JANUARY 1	6,024	0	0	0	1,119,285	10,558,932
<b>FUND BALANCES - DECEMBER 31</b>	<b>\$ 16,019</b>	<b>\$ (900)</b>	<b>\$ 0</b>	<b>\$ 10,000</b>	<b>\$ 1,152,083</b>	<b>\$ 10,640,546</b>

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commissions to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Circuit Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment No. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive at least 35% of fees collected by county clerks to be used to purchase, maintain, and operate an automated records system.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate an automated records system.
County Public 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.
County Clerk's Operation	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.
Child Support Collections Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communications equipment and repair and to train operations staff.
Jail 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.
Boating Safety and Enforcement	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.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Adult Drug Court Program	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Circuit Court Juvenile Division	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.
Juvenile Court Representation	Ark. Code Ann. §§ 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as Commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expenses of the office of Circuit Clerk.
Federal Emergency Management (FEMA)	Established to account for federal grants received for the Federal Emergency Management.
Northwest Arkansas Regional HIV Clinic	Originally established to account for state and local grants. Now supported by health insurance proceeds and local contributions.
Drug Enforcement-State	Ark. Code Ann. § 5-64-505 established fund to separately account for funds received through the Federal Equitable Sharing Agreement.
Drug Enforcement-Federal	Ark. Code Ann. § 5-64-505 established fund to separately account for funds received through the Federal Equitable Sharing Agreement.
Drug Court Program	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
High Intensity Drug Trafficking Area (HIDTA) Grant	Established to account for federal aid received for High Intensity Drug Trafficking Area.
Rural Community Grant	Established to account for state grants and county and local matching grants.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile Detention Center Grant	Established to account for state and federal grants received for operation of the Juvenile Detention Center.
Department of Emergency Management Grant	Established to account for federal grants received for the Department of Emergency Management.
Environmental Affairs Grant	Washington County Ordinance no. 2013-03 (February 25, 2013) established to account for Boston Mountain Solid Waste District grant.
Drug Court Grant	Established to account for federal grants received for operation of the drug court of Washington County.
Law Enforcement Grants	Established to account for federal and state grants and work release fees.
Animal Shelter Projects	Established to account for donations received to support animal shelter projects.
County Law Library	Ark. Code Ann. § 16-23-105 established fund to receive collections from costs levied and to fund law library expenditures.
Juvenile Court Grant	Established to account for grant received from Arkansas Department of Human Services/ Division of Youth Services and the Arkansas Coalition for Juvenile Justice
Assessor's Late Assessment Fee	Ark. Code Ann. § 26-26-201(d) established fund to receive collections from a \$.50 fee levied for delinquent property assessments.
Arkansas Heritage Preservation Grant	Established to account for grant received from Arkansas Historic Preservation Program, a division of the Department of Arkansas Heritage.
Court Security Grant	Washington County Ordinance no. 2018-28 (June 25, 2018) established to account for funds created under Act 576 of 2007 for court security.
Animal Shelter Grant	Established to account for local grant proceeds received from PetSmart Charities to be used for promoting adoptions for the animal shelter.
Capital Improvement Refunding Revenue Bond (Historic Courthouse Project)	Washington County Ordinance no. 2012-69 (November 15, 2012) authorized issuance of Capital Improvement Refunding Revenue Bonds (Historic Courthouse Project) - Series 2013 for the purpose of refunding Capital Improvement Revenue Bonds (Historic Courthouse Project) - Series 2008, and the payment of the debt service on the Historic Courthouse Renovation Project.

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

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

<u>Fund Name</u>	<u>Fund Description</u>
	Treasurer's accounts consist primarily of property taxes, excess commission, and interest not distributed to appropriate entities and monies held for other agencies.
	Collector's accounts consist primarily of property 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 trust money and fee money to be settled with Treasurer.
	Circuit Clerk's accounts consist of settlements due to Treasurer.
	Assessor's Account consists of a change fund.
	Juvenile Services accounts consist of juvenile fees awaiting disposition to Treasurer.
	County Judge's accounts consist of change funds for multiple departments.

WASHINGTON COUNTY, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2018  
(Unaudited)

Schedule 3

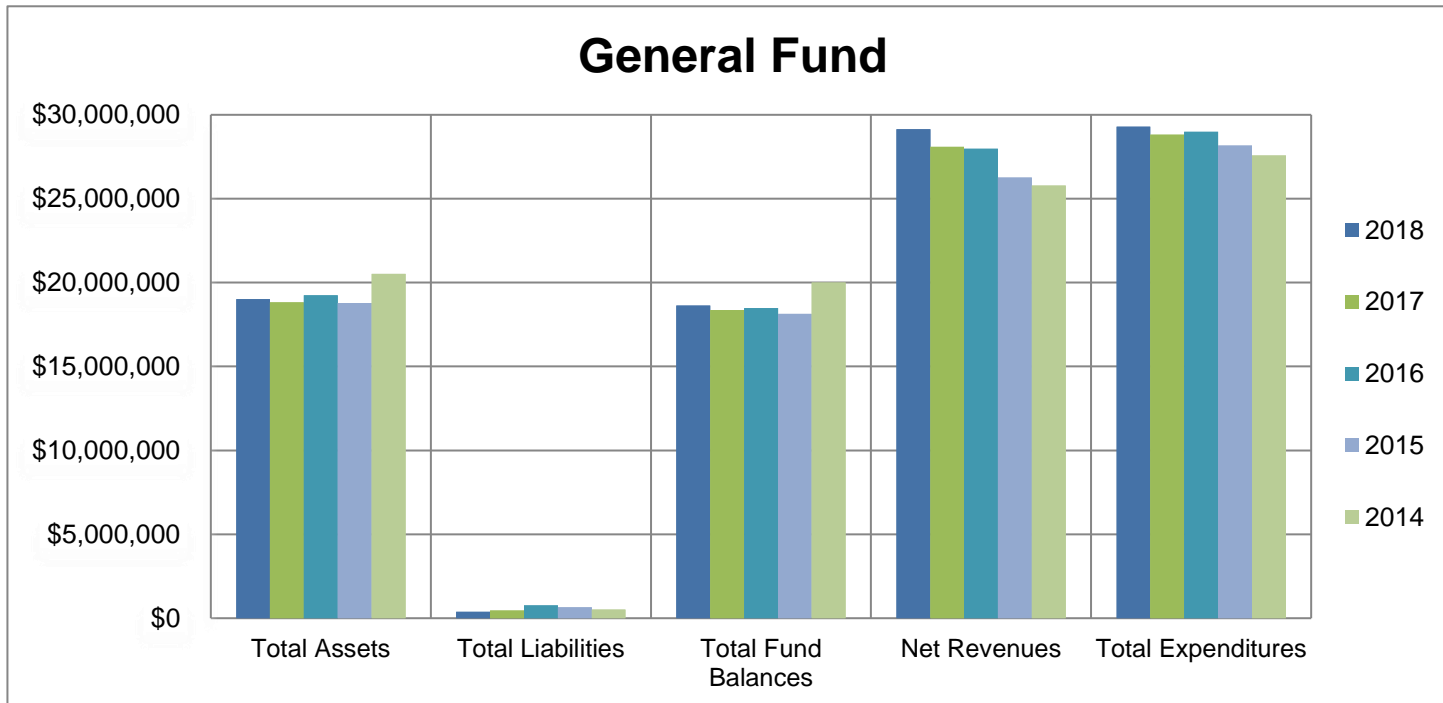
	December 31, 2018
Land	\$ 3,516,590
Building and improvements	69,074,841
Equipment	26,738,684
Construction in progress	<u>55,650</u>
Total	<u>\$ 99,385,765</u>



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

Schedule 4-1

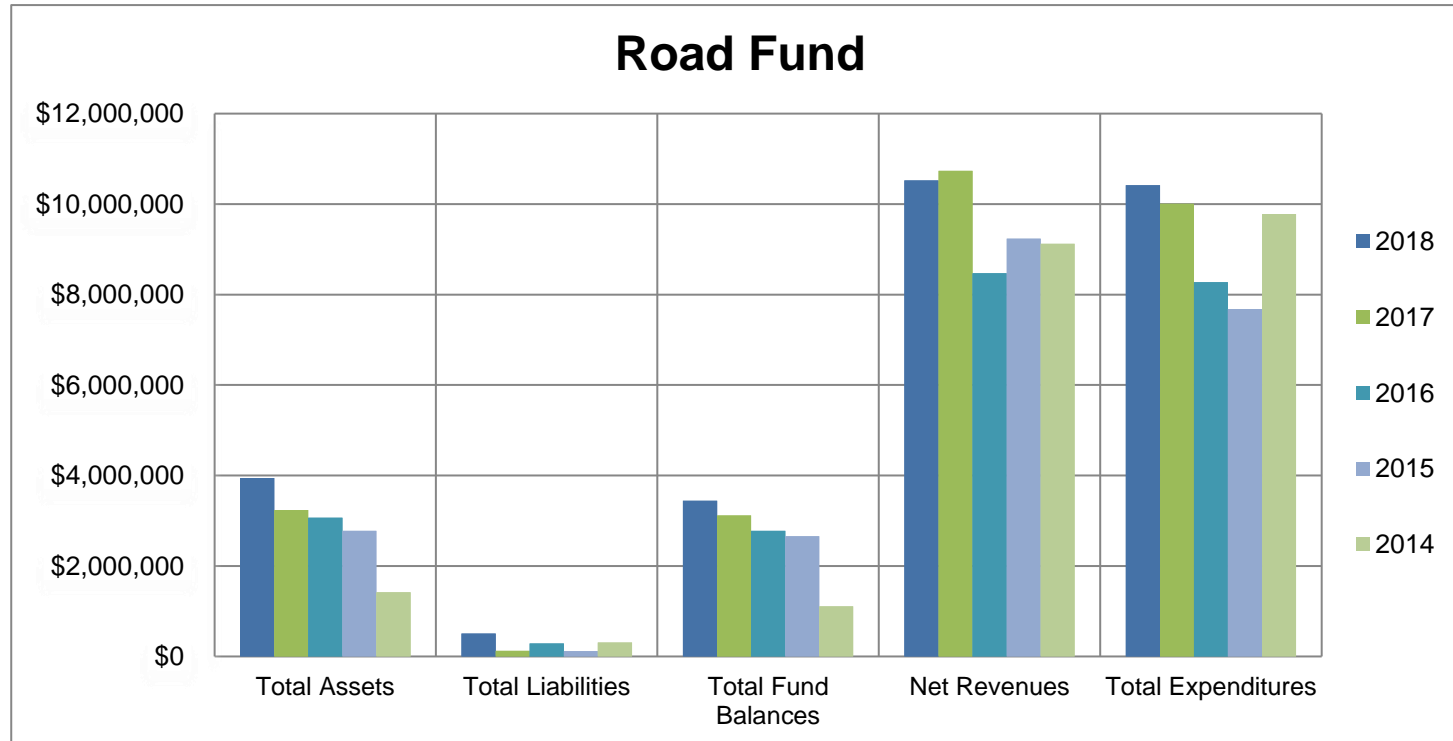
<u>General</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Assets	\$ 19,019,048	\$ 18,822,048	\$ 19,238,880	\$ 18,784,538	\$ 20,511,140
Total Liabilities	390,018	453,949	764,338	655,410	512,644
Total Fund Balances	18,629,030	18,368,099	18,474,542	18,129,128	19,998,496
Net Revenues	29,146,287	28,087,656	27,973,863	26,257,791	25,785,322
Total Expenditures	29,287,950	28,807,778	28,978,918	28,168,014	27,585,012
Total Other Financing Sources/Uses	402,594	613,679	1,350,469	40,855	(2,165,701)



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

Schedule 4-2

<u>Road</u>	2018	2017	2016	2015	2014
Total Assets	\$ 3,946,037	\$ 3,239,865	\$ 3,066,977	\$ 2,776,491	\$ 1,415,360
Total Liabilities	507,129	125,863	286,728	116,380	309,568
Total Fund Balances	3,438,908	3,114,002	2,780,249	2,660,111	1,105,792
Net Revenues	10,519,355	10,736,790	8,469,442	9,231,922	9,122,965
Total Expenditures	10,414,615	10,003,615	8,271,503	7,677,603	9,776,652
Total Other Financing Sources/Uses	220,166	(399,422)	(77,801)		800,000



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

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Assets	\$ 25,840,993	\$ 27,528,353	\$ 24,959,841	\$ 23,557,810	\$ 20,598,634
Total Liabilities	15,200,447	16,969,421	14,144,968	13,990,734	12,791,751
Total Fund Balances	10,640,546	10,558,932	10,814,873	9,567,076	7,806,883
Net Revenues	23,488,303	21,119,083	22,019,136	20,731,654	19,336,294
Total Expenditures	22,783,929	21,160,767	19,743,187	18,930,606	20,054,805
Total Other Financing Sources/Uses	(622,760)	(214,257)	(1,272,668)	(40,855)	543,575

