

**Benton County, Arkansas**

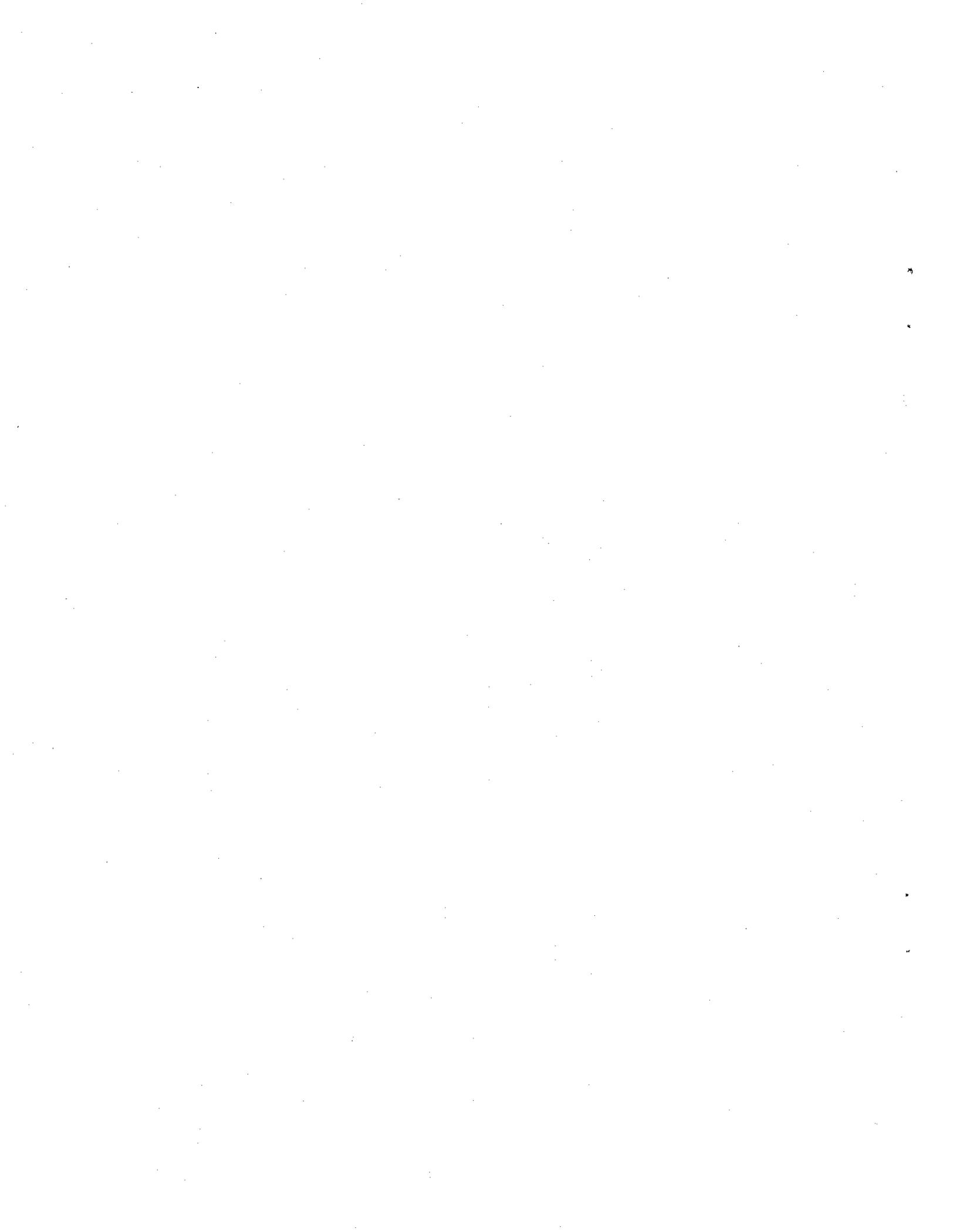
**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2013**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas

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Senate Chair  
Sen. Linda Chesterfield  
Senate Vice Chair



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

Benton 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 Benton County, Arkansas, as of and for the year ended December 31, 2013, as listed in the table of contents, and the related notes to the financial statements.

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

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

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

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

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

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

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

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions of Arkansas Code, 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 Benton County, Arkansas, as of December 31, 2013, or the revenues, expenditures, and changes in net position and where applicable, cash flows, thereof for the year then ended.

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

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

**Qualified Opinions on Regulatory Basis of Accounting**

In our opinion, except for the omission of the information described in the "Basis for Qualified Opinions on Regulatory Basis of Accounting" paragraph, the financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Benton County, Arkansas, as of December 31, 2013, and the regulatory basis revenues, expenditures, and changes in net position, and the budgetary comparisons for the general fund and road fund for the year then ended in accordance with the financial reporting provisions of the Arkansas Code described in Note 1.

**Supplementary and Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 7, 2015, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas  
May 7, 2015  
LOCO00413

# Arkansas

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



Rep. Mary Broadway  
House Chair  
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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, COMPLIANCE AND OTHER MATTERS,  
AND OTHER ISSUES BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

### INDEPENDENT AUDITOR'S REPORT

Benton 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 Benton County, Arkansas, as of and for the year ended December 31, 2013, and the related notes to the financial statements, and have issued our report thereon dated May 7, 2015. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Arkansas Code, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were qualified because required disclosures were not made concerning deposit risks.

#### Internal Control Over Financial Reporting

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

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

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

2013-1 To ensure the proper safeguarding of assets, financial accounting duties relating to initiating, receipting, depositing, disbursing, and recording transactions should be distributed among appropriate employees. The County officials, as specified in the Other Issues section of this report, did not segregate these duties to sufficiently reduce the risks of fraud or error and properly safeguard the County's assets, because of limited financial resources. We recommend that the financial accounting duties in each office be segregated among employees to the extent possible.

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

#### Compliance and Other Matters

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

### Entity's Response to Findings

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

### Other Issues

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

The commentary contained in this section relates to the following officials that held office during 2013:

County Judge: Robert Clinard  
Treasurer: Deanna Ratcliffe  
Sheriff: Kelley Craddock  
Tax Collector: Gloria Peterson  
County Clerk: Tena O'Brien  
Circuit Clerk: Brenda DeShields  
Assessor: Glenn "Bear" Chaney

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

#### **County Judge**

The Comptroller did not reconcile the Claims Docket/Warrant and Transfer Register with checks issued by the County Treasurer on a monthly basis, as required by Ark. Code Ann. § 14-21-101.

#### **Sheriff**

The Sheriff's Office maintained a Sheriff's Communication Facility and Equipment Fund outside the County Treasury, as permitted by Ark. Code Ann. § 21-6-307. Ark. Code Ann. § 21-6-307 sets aside 25% of Sheriff's fees to be used to train operations staff; operate, equip, repair, or replace existing communications equipment, purchase additional communications equipment, or improve a communication facility or system for a Sheriff's department. The Sheriff's Communication Facility and Equipment Fund included disbursements that were not for purposes allowed by law. By improperly using the Sheriff's Communication Facility and Equipment Fund, the Sheriff circumvented laws that require expenditures to be appropriated and paid from the County Treasury, based on an approved claim, as required by Ark. Code Ann. §§ 14-20-103, 14-14-1102, and 14-24-104.

### 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



June M. Barron, CPA, CFE  
Deputy Legislative Auditor

Little Rock, Arkansas  
May 7, 2015

BENTON COUNTY, ARKANSAS  
 BALANCE SHEET - REGULATORY BASIS  
 DECEMBER 31, 2013

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 22,676,555	\$ 556,678	\$ 18,456,980
Accounts receivable	1,032,830	499,746	542,238
Interfund receivables	38,420		
<b>TOTAL ASSETS</b>	<u>\$ 23,747,805</u>	<u>\$ 1,056,424</u>	<u>\$ 18,999,218</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 680,004	\$ 247,090	\$ 131,005
Interfund payables			38,420
Settlements pending			12,527,220
<b>Total Liabilities</b>	<u>680,004</u>	<u>247,090</u>	<u>12,696,645</u>
Fund Balances:			
Restricted	1,758,986		5,133,144
Committed			770,200
Assigned	759,476	809,334	399,229
Unassigned	20,549,339		
<b>Total Fund Balances</b>	<u>23,067,801</u>	<u>809,334</u>	<u>6,302,573</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 23,747,805</u>	<u>\$ 1,056,424</u>	<u>\$ 18,999,218</u>

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

BENTON COUNTY, ARKANSAS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	General	Road	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 3,006,828	\$ 4,164,434	\$ 323,453
Federal aid	205,953	367,391	475,527
Property taxes	20,304,256	2,939,180	22,015
Sales taxes	6,151,895		1,182,984
Fines, forfeitures, and costs	1,842,511	12,991	786,788
Interest	58,010	310	9,328
Officers' fees	324,944		2,407,321
911 service fees	544,172		735,228
Jail telephone commissions			197,045
Franchise fees	97,382		
Jail fees	1,041,330		
Local permits and fees	196,481		
Insurance premiums collected	679,453		
Service fees			151,926
Inmate fees			29,249
Commissary commissions	242,538		106,647
Treasurer's commission	1,347,405		120,000
Collector's commission	3,075,636		150,000
Taxes apportioned - Assessor's salary and expense	1,167,058	171,986	59,537
Other			
<b>TOTAL REVENUES</b>	40,285,832	7,656,292	6,757,048
Less: Treasurer's commission	124,574	26,240	26,499
<b>NET REVENUES</b>	40,161,258	7,630,052	6,730,549
<b>EXPENDITURES</b>			
Current:			
General government	14,266,152		1,086,978
Law enforcement	23,189,911		1,479,000
Highways and streets		10,324,300	136,921
Public safety	2,921,226		918,438
Sanitation	344,609		
Health	54,319		312,078
Recreation and culture			19,084
Social services	282,301		19,799
Total Current	41,058,518	10,324,300	3,972,298
Debt Service:			
Note principal		111,928	
Note interest		1,467	
<b>TOTAL EXPENDITURES</b>	41,058,518	10,437,695	3,972,298

BENTON COUNTY, ARKANSAS  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (897,260)	\$ (2,807,643)	\$ 2,758,251
OTHER FINANCING SOURCES (USES)			
Transfers in	2,400,512	3,175,894	152,089
Transfers out	(3,327,983)		(2,400,512)
TOTAL OTHER FINANCING SOURCES (USES)	(927,471)	3,175,894	(2,248,423)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,824,731)	368,251	509,828
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	24,803,524	425,724	5,757,124
Restatement adjustment	89,008	15,359	35,621
FUND BALANCES - JANUARY 1, AS RESTATED	24,892,532	441,083	5,792,745
FUND BALANCES - DECEMBER 31	\$ 23,067,801	\$ 809,334	\$ 6,302,573

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

BENTON 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, 2013

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>						
State aid	\$ 2,846,873	\$ 3,006,828	\$ 159,955	\$ 3,837,745	\$ 4,164,434	\$ 326,689
Federal aid	149,078	205,953	56,875	46,250	367,391	321,141
Property taxes	19,568,141	20,304,256	736,115	2,802,319	2,939,180	136,861
Sales taxes	6,600,000	6,151,895	(448,105)			
Fines, forfeitures, and costs	1,472,000	1,842,511	370,511			
Interest	69,720	58,010	(11,710)	580	12,991	12,991
Officers' fees	360,000	324,944	(35,056)		310	(270)
911 service fees	526,000	544,172	18,172			
Franchise fees	60,000	97,382	37,382			
Jail fees	775,000	1,041,330	266,330			
Local permits and fees	150,000	196,481	46,481			
Insurance premiums collected	4,147,000	679,453	(3,467,547)			
Treasurer's commission	2,000,000	242,538	(1,757,462)			
Collector's commission	7,720,000	1,347,405	(6,372,595)			
Taxes apportioned - Assessor's salary and expense	4,000,000	3,075,636	(924,364)			
Other	2,388,350	1,167,038	(1,221,312)	351,200	171,986	(179,214)
<b>TOTAL REVENUES</b>	<b>52,832,162</b>	<b>40,285,832</b>	<b>(12,546,330)</b>	<b>7,038,094</b>	<b>7,656,292</b>	<b>618,198</b>
Less: Treasurer's commission		124,574	(124,574)	140,762	26,240	114,522
<b>NET REVENUES</b>	<b>52,832,162</b>	<b>40,161,258</b>	<b>(12,670,904)</b>	<b>6,897,332</b>	<b>7,630,052</b>	<b>732,720</b>
<b>EXPENDITURES</b>						
Current:						
General government	20,351,739	14,266,152	6,085,587			
Law enforcement	25,171,266	23,189,911	1,981,355			
Highways and streets				12,135,396	10,324,300	1,811,096
Public safety	1,431,152	2,921,226	(1,490,074)			
Sanitation	398,185	344,609	53,576			
Health	60,250	54,319	5,931			
Social services	297,232	282,301	14,931			
Total Current	47,709,824	41,058,518	6,651,306	12,135,396	10,324,300	1,811,096
Debt Service:						
Note principal				156,254	111,928	44,326
Note interest				1,800	1,467	333
<b>TOTAL EXPENDITURES</b>	<b>47,709,824</b>	<b>41,058,518</b>	<b>6,651,306</b>	<b>12,293,450</b>	<b>10,437,695</b>	<b>1,855,755</b>

BENTON 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, 2013

	General		Road		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 5,122,338	\$ (897,260)	\$ (5,396,118)	\$ (2,807,643)	\$ 2,588,475
OTHER FINANCING SOURCES (USES)					
Transfers in	2,700,000	2,400,512	4,976,118	3,175,894	(1,800,224)
Transfers out	(5,144,968)	(3,327,983)			
TOTAL OTHER FINANCING SOURCES (USES)	(2,444,968)	(927,471)	4,976,118	3,175,894	(1,800,224)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,677,370	(1,824,731)	(420,000)	368,251	785,251
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	19,290,600	24,803,524	25,000	425,724	400,724
Restatement adjustment		89,008		15,359	15,359
FUND BALANCES - JANUARY 1, AS RESTATED	19,290,600	24,892,532	25,000	441,083	416,083
FUND BALANCES - DECEMBER 31	\$ 21,967,970	\$ 23,067,801	\$ (395,000)	\$ 809,334	\$ 1,204,334

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

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BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**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 funds; notes to financial statements; and a supplemental schedule of capital assets.

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

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

**General Fund** - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund heading as it appears in the financial statements includes the following accounts: General, General Investments, County Treasurer, Equalization Board, County Collector, County Assessor, Health Insurance, Forfeiture, Park Patrol Beaver Lake, Circuit Clerk's Office, Jail Transport, Social Security Incentive, Public Defender, and Sheriff's Drug.

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

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

**Special Revenue Funds** - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following Special Revenue Funds are reported with other funds in the aggregate: Treasurer's Automation, Collector's Automation, Assessor Amendment no. 79, Emergency 911, Emergency Medical Services District (EMSD), Boating Safety, Support Collection Cost, Arkansas Economic Development Septic System Installation Project Grant, Prosecutor's Victim/Witness, Judicial Collections, National Association of County and City Health Officials (NACCHO) Grant, State Homeland Security Grant, Law Enforcement Training/Terrorism Prevention Grant, Arkansas Department of Environmental Quality (ADEQ) E-Waste Grant, Forensic Science Grant, Internet Crimes Against Children, Geographic Information System (GIS) Justice Assistance Grant, Sheriff's Communication Facility and Equipment, Aviation Grant, District Court Cost, County Clerk's Cost, Drug Court, Adult Drug Court, Substance Abuse and Mental Health Services Administration - Drug Court Grant, Juvenile Detention Center State Grant Aid, Supervised Visitation, Circuit Court Juvenile Division, Juvenile Accountability Block Grant (JABG), Alternative Dispute Resolution Grant, Department of Human Services Division of Youth Services (DYS) Title II, Voting Systems Grant, Fire Protection (Act 833), Rocky Branch Rural Services Grant, Northeast Benton County (NEBCO) Rural Services Grant, County Recorder's Cost, Court Automation, Jail Maintenance Fine, Sheriff's Commissary, and Historical Preservation.

BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

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

**B. Basis of Presentation - Regulatory Fund Accounting (Continued)**

**Other Funds in the Aggregate (Continued)**

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Fund is reported with other funds in the aggregate.

Agency Funds - Agency Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The following Agency Funds are reported with other funds in the aggregate: Excess Commissions, County Judge's Planning Board, Treasurer (Collector's Unapportioned, Common School, and Checking Interest), Collector (Main, Bankruptcy, and Change), Sheriff (Fee, Execution, Circuit Court Bonds, Forfeiture Asset, Court Bonds, Commissary, and Emergency Travel), County Clerk (Fee and Trust), Circuit Clerk (Fee, Advanced Cost, Circuit Fine and Court Costs, and Trusts), and Assessor (Copy).

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

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

**Cash and Cash Equivalents**

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

**Settlements Pending**

Settlements pending are considered fines, forfeitures, costs, trust funds, property taxes, excess commissions, and excess Assessor's salary and expense that have not been transferred to the appropriate entities.

**Fund Balance Classifications**

1. Restricted fund balance - amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.

BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

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

**D. Assets, Liabilities, and Fund Balances (Continued)**

Fund Balance Classifications (Continued)

3. Assigned fund balance – amounts that are constrained by the Quorum Court's intent to be used for specific purposes, but are neither restricted nor committed.
4. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**E. Property Taxes**

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

**F. Budget Law**

1. Legal Requirements

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

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund, Road Fund, and the other operating funds except for the Sheriff's Communication Facility and Equipment Fund.

**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.

**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.

BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**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, 2013 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid		\$ 63,772	\$ 53,673
Federal aid	\$ 17,614	204,411	40,271
Property taxes		116,410	
Sales taxes	521,857		57,984
Fines, forfeitures, and costs	50,319	1,435	12,210
Officers' fees	31,585		161,299
911 service fees	138,468		68,080
Franchise fees	31,892		
Jail fees	96,696		69,156
Local permit and fees	12,323		
Inmate fees			4,638
Commissary commissions			9,502
Other	132,076	3,969	8,542
Treasurer's commission		109,749	56,883
<b>Totals</b>	<b>\$ 1,032,830</b>	<b>\$ 499,746</b>	<b>\$ 542,238</b>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2013 is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 680,004	\$ 247,090	\$ 131,005

BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2013	
	Interfund Receivables	Interfund Payables
General	\$ 38,420	
Other Funds in the Aggregate:		
Special Revenue:		
Arkansas Department of Environmental Quality (ADEQ) E-Waste Grant		\$ 10,799
Adult Drug Court		26,741
Department of Human Services - Division of Youth Services (DYS) Title II		880
Totals	<u>\$ 38,420</u>	<u>\$ 38,420</u>

Interfund receivables and payables consist of interfund loans. These balances are expected to be repaid when grant aid is received.

**NOTE 7: 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, 2013, the legal debt limit for bonded debt was \$410,102,634. 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, 2013, the legal debt limit for short-term financing obligations was \$106,705,105. There were no short-term financing obligations.

BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 8: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2013 are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
<b>Fund Balances:</b>			
<b>Restricted for:</b>			
General government			\$ 1,672,590
Law enforcement	\$ 4,371		970,111
Public safety			2,195,237
Health			11,433
Recreation and culture			283,773
Employee health insurance	1,754,615		
<b>Total Restricted</b>	<u>1,758,986</u>		<u>5,133,144</u>
<b>Committed for:</b>			
Law enforcement			26,960
Capital projects			743,240
<b>Total Committed</b>			<u>770,200</u>
<b>Assigned to:</b>			
General government	417,853		62,723
Law enforcement	341,623		336,506
Highways and streets		\$ 809,334	
<b>Total Assigned</b>	<u>759,476</u>	<u>809,334</u>	<u>399,229</u>
<b>Unassigned</b>	<u>20,549,339</u>		
<b>Totals</b>	<u>\$ 23,067,801</u>	<u>\$ 809,334</u>	<u>\$ 6,302,573</u>

**NOTE 9: Commitments**

Total commitments consist of the following at December 31, 2013:

Description	December 31, 2013
Long-term liabilities	\$ 1,251,409
Construction contracts	209,331
<b>Total Commitments</b>	<u>\$ 1,460,740</u>

Long-Term Liabilities

Long-term liabilities at December 31, 2013 are comprised of the following:

Description	December 31, 2013
Compensated absences	<u>\$ 1,251,409</u>

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

BENTON COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2013

**NOTE 9: 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.

Construction Contracts

The County was contractually obligated for the following construction contracts at December 31, 2013:

<u>Project Name</u>	<u>Completion Date</u>	<u>Contract Balance December 31, 2013</u>
Fisher Ford Bridge	January 2015	\$ 153,335
Rogers Building Remodel	June 2014	55,996
Total Construction Contracts		<u>\$ 209,331</u>

**NOTE 10: Interfund Transfers**

The General Fund transferred \$3,175,894 to the Road Fund and \$152,089 to Other Funds in the Aggregate to supplement operations. The Other Funds in the Aggregate transferred \$2,400,000 to the General Fund in excess County Recorder's Cost Fund monies and \$512 to the General Fund for reimbursement of expenditures.

**NOTE 11: Prior Year Restatement**

The beginning fund balances of the General Fund, Road Fund, and Other Funds in the Aggregate were increased by \$89,008, \$15,359, and \$35,621, respectively, to restate for errors in the County's December 31, 2012 accounts payable listing.

**NOTE 12: Subsequent Events**

On January 15, 2014, the County entered into a \$1,039,883 contract with A.M. Cohron & Son Inc., for construction of the Fisher Ford Bridge project. The project is expected to be completed in January 2015.

On February 5, 2015, the Quorum Court approved Appropriation Ordinance no. O-2015-14 to appropriate additional expenditures for the settlement of a lawsuit with the family of Faith Whitcomb, who died in the Benton County Jail on May 3, 2012. The County agreed to pay \$652,000 and the Association of Arkansas Counties Risk Management Fund will pay \$348,000 in settlement to the deceased's family.

In April 2014, the Benton County Comptroller, Sarah Wilson, was terminated from employment with Benton County. Subsequently, the County agreed to a settlement, in the amount of \$43,527 plus attorney fees of \$5,000, to the former comptroller for salary and benefits for six months. The County expects to pay \$21,763 of the total settlement and insurance coverage to provide the remaining \$26,764.

**NOTE 13: Jointly Governed Organizations**

Benton County Solid Waste District

Benton County and the cities in Benton County entered into an agreement pursuant to Ark. Code Ann. § 8-6-723, creating the Benton County Solid Waste District (BCSWD). The BCSWD was established in an effort to adequately, reliably, and economically dispose of the cities' and County's solid waste. The majority of funding for the BCSWD comes from user fees and operating grants. Payments totaling \$25,222 were made to the BCSWD during 2013 and future funding is to be at the rate of \$50 per capita of the County. Financial statements may be obtained at Benton County Solid Waste District, 5702 Brookside Rd., Bentonville, AR 72712.

BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 13: Jointly Governed Organizations (Continued)**

Ozark Regional Transit, Inc.

The 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 members of ORT. FTA rural funding is provided through the Arkansas Highway and Transportation Department. Other participants include Washington and Madison Counties, as well as other entities within each of these counties. Benton County paid \$15,000 in 2013 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, Springdale, AR 72764.

**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 County purchases commercial insurance for coverage of buildings and contents. 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 or \$500,000 per case with an annual aggregate of \$350,000. 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 \$2,500 deductible per occurrence.

BENTON COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**NOTE 14: Risk Management (Continued)**

The County has mutual aid agreements with various cities' fire departments and rural volunteer fire departments in the County. Many of these departments are using County-owned fire trucks and other equipment. The County retains ownership to all of the equipment that is loaned to these departments. These departments are required to carry insurance coverage on all County-owned vehicles. These departments are using Association of Arkansas Counties Program (public entity risk pool), the Arkansas Municipal League Program (public entity risk pool), the Arkansas Public Entities Risk Management Association (public entity risk pool), and various private insurance companies.

**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, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201, by calling 1-800-682-7377, or on their website [www.apers.org](http://www.apers.org).

Funding Policy

PERS has contributory and non-contributory plans. Contributory members are required by code to contribute 5% of their salary. Each participating employer is required by code to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended December 31, 2013 were \$3,481,796.

**NOTE 16: Employees Self-Insured Benefits**

The County participates in an Employee Self-Insured Benefit Plan. The County is required to maintain a benefit plan account which will be sufficient at all times to fund plan benefits and plan-related expenses. Insurance premiums collected through payroll deduction for employee, spouse, and dependent coverage, and cobra and retiree payments received totaled \$536,700. Health insurance claims, administered by Blue Advantage, in the amount of \$4,229,204 were paid from this account and the County contributed \$3,571,200 to this account. As of December 31, 2013, the balance in this account was \$1,754,615.

To safeguard against catastrophic claims loss, the County maintains an excess loss insurance policy (non-participating) with American Fidelity Assurance Company that has the following features:

1. Aggregating Specific Attachment Point of \$50,000.
2. Specific Attachment Point of \$125,000 per covered person.

**NOTE 17: Interlocal Agreement with the Northwest Arkansas Regional Planning Commission**

On February 24, 2012, Benton County entered into an interlocal agreement, for the year ending December 31, 2012, with the Northwest Arkansas Regional Planning Commission (Commission) for the commission to monitor, evaluate, and report the likely effects that future proposed changes to stream standards and wastewater discharge requirements may have on Northwest Arkansas pursuant to Ark. Code Ann. § 14-14-910. The County subsequently extended the Interlocal Agreement through December 31, 2013. The County paid the Commission an additional \$20,000 in 2013 for the extension of the contract.

BENTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2013

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Assessor Amendment no. 79	Emergency 911	Emergency Medical Services District (EMSD)	Boating Safety	Support Collection Cost	Arkansas Economic Development Septic System Installation Project Grant	Prosecutor's Victim/Witness
ASSETS									
Cash and cash equivalents	\$ 342,452	\$ 191,411	\$ 17,848	\$ 2,065,994	\$ 11,344	\$ 68,781	\$ 23,302	\$ 89	\$ 8,871
Accounts receivable			3,235	79,361		438			
TOTAL ASSETS	\$ 342,452	\$ 191,411	\$ 21,083	\$ 2,145,355	\$ 11,344	\$ 69,219	\$ 23,302	\$ 89	\$ 8,871
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 330	\$ 7,213	\$ 628	\$ 485			\$ 3,096		
Interfund payables									
Settlements pending									
Total Liabilities	330	7,213	628	485			3,096		
Fund Balances:									
Restricted	342,122	184,198	20,455	2,144,870	\$ 11,344	\$ 69,219	20,206	\$ 89	
Committed									\$ 8,871
Assigned									\$ 8,871
Total Fund Balances	342,122	184,198	20,455	2,144,870	11,344	69,219	20,206	89	8,871
TOTAL LIABILITIES AND FUND BALANCES	\$ 342,452	\$ 191,411	\$ 21,083	\$ 2,145,355	\$ 11,344	\$ 69,219	\$ 23,302	\$ 89	\$ 8,871

BENTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2013

SPECIAL REVENUE FUNDS

	Judicial Collections	State Homeland Security Grant	Arkansas Department of Environmental Quality (ADEQ) E-Waste Grant	Forensic Science Grant	Internet Crimes Against Children	Geographic Information System (GIS) Justice Assistance Grant	Sheriffs Communication Facility and Equipment	Aviation Grant	District Court Cost
\$	11,786	367		835	176	9,343	186,093	656	8,176
	6,421		10,799				47,965		
\$	18,207	367	10,799	835	176	9,343	234,058	656	8,176

ASSETS

Cash and cash equivalents  
 Accounts receivable

TOTAL ASSETS

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable  
 Interfund payables  
 Settlements pending  
 Total Liabilities

\$ 30,808 \$ 265  
 30,808 265

Fund Balances:

Restricted  
 Committed  
 Assigned  
 Total Fund Balances

\$ 3,215 \$ 367 \$ 835 \$ 176 \$ 9,343 \$ 5,613 \$ 391 \$ 8,176  
 14,992 367 835 176 9,343 197,637 391 8,176  
 18,207 367 835 176 9,343 203,250 391 8,176  
 \$ 18,207 \$ 367 \$ 835 \$ 176 \$ 9,343 \$ 234,058 \$ 656 \$ 8,176

TOTAL LIABILITIES AND FUND BALANCES

BENTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2013

SPECIAL REVENUE FUNDS

	County Clerk's Cost	Drug Court	Adult Drug Court	Juvenile Detention Center State Grant Aid	Circuit Court Juvenile Division	Juvenile Accountability Block Grant (JABG)	Alternative Dispute Resolution Grant	Department of Human Services - Division of Youth Services (DYS) Title II	Voting Systems Grant
ASSETS									
Cash and cash equivalents	\$ 135,060	\$ 11,437	\$ 26,760	\$ 23,829	\$ 156,997	\$ 305	\$ 9,844	\$ 2,407	\$ 1,718
Accounts receivable	3,496	80			9,103				
<b>TOTAL ASSETS</b>	<b>\$ 138,556</b>	<b>\$ 11,517</b>	<b>\$ 26,760</b>	<b>\$ 23,829</b>	<b>\$ 166,100</b>	<b>\$ 305</b>	<b>\$ 9,844</b>	<b>\$ 2,407</b>	<b>\$ 1,718</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 1,618		\$ 26,741		\$ 759	\$ 305	\$ 9,844	\$ 1,210	\$ 1,718
Interfund payables								880	
Settlements pending									
<b>Total Liabilities</b>	<b>\$ 1,618</b>	<b>\$ 26,741</b>	<b>\$ 26,741</b>	<b>\$ 759</b>	<b>\$ 305</b>	<b>\$ 9,844</b>	<b>\$ 2,090</b>	<b>\$ 1,718</b>	<b>\$ 1,718</b>
Fund Balances:									
Restricted	\$ 138,556	9,899	19	\$ 23,829	165,341				
Committed									
Assigned									
<b>Total Fund Balances</b>	<b>\$ 138,556</b>	<b>\$ 9,899</b>	<b>\$ 19</b>	<b>\$ 23,829</b>	<b>\$ 165,341</b>	<b>\$ 305</b>	<b>\$ 9,844</b>	<b>\$ 2,407</b>	<b>\$ 1,718</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>									

BENTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2013

CAPITAL PROJECTS  
 FUND

SPECIAL REVENUE FUNDS

	Fire Protection (Act 833)	Northeast Benton County (NEBCO) Rural Services Grant	County Recorder's Cost	Court Automation	Jail Maintenance Fine	Sheriff's Commissary	Historical Preservation	Capital Projects
	\$ 23,448	\$ 50,000	\$ 835,644 194,132	\$ 63,576 4,468	\$ 605,189 29,577	\$ 114,868 15,707	\$ 283,773	\$ 716,853 57,984
<b>TOTAL ASSETS</b>	<b>\$ 23,448</b>	<b>\$ 50,000</b>	<b>\$ 1,029,776</b>	<b>\$ 68,044</b>	<b>\$ 634,766</b>	<b>\$ 130,575</b>	<b>\$ 283,773</b>	<b>\$ 774,837</b>

ASSETS

Cash and cash equivalents  
 Accounts receivable

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable  
 Interfund payables  
 Settlements pending  
 Total Liabilities

	\$ 23,448			\$ 17,681				\$ 31,597
<b>Total Liabilities</b>	<b>23,448</b>			<b>17,681</b>				<b>31,597</b>

Fund Balances:

Restricted  
 Committed  
 Assigned  
 Total Fund Balances

	\$ 50,000	\$ 967,053	\$ 68,044	\$ 617,085	\$ 23,745	\$ 283,773	\$ 743,240
	50,000	62,723 1,029,776	68,044	617,085	106,830 130,575	283,773	743,240
<b>Total Fund Balances</b>	<b>\$ 50,000</b>	<b>\$ 1,029,776</b>	<b>\$ 68,044</b>	<b>\$ 634,766</b>	<b>\$ 130,575</b>	<b>\$ 283,773</b>	<b>\$ 774,837</b>

TOTAL LIABILITIES AND FUND BALANCES

BENTON COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2013

AGENCY FUNDS

	Excess Commissions	County Judge's Planning Board	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	Assessor's Accounts	Totals
ASSETS									
Cash and cash equivalents	\$ 8,493,663	\$ 31,766	\$ 8,482	\$ 1,250,103	\$ 289,010	\$ 144,490	\$ 2,309,604	\$ 102	\$ 18,456,980
Accounts receivable									542,238
<b>TOTAL ASSETS</b>	<b>\$ 8,493,663</b>	<b>\$ 31,766</b>	<b>\$ 8,482</b>	<b>\$ 1,250,103</b>	<b>\$ 289,010</b>	<b>\$ 144,490</b>	<b>\$ 2,309,604</b>	<b>\$ 102</b>	<b>\$ 18,999,218</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									\$ 131,005
Interfund payables									38,420
Settlements pending	\$ 8,493,663	\$ 31,766	\$ 8,482	\$ 1,250,103	\$ 289,010	\$ 144,490	\$ 2,309,604	\$ 102	12,527,220
Total Liabilities	8,493,663	31,766	8,482	1,250,103	289,010	144,490	2,309,604	102	12,696,645
Fund Balances:									
Restricted									5,133,144
Committed									770,200
Assigned									398,229
Total Fund Balances									6,302,573
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 8,493,663</b>	<b>\$ 31,766</b>	<b>\$ 8,482</b>	<b>\$ 1,250,103</b>	<b>\$ 289,010</b>	<b>\$ 144,490</b>	<b>\$ 2,309,604</b>	<b>\$ 102</b>	<b>\$ 18,999,218</b>

BENTON 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, 2013

	SPECIAL REVENUE FUNDS									
	Treasurer's Automation	Collector's Automation	Assessor Amendment no. 79	Emergency 911	Emergency Medical Services District (EMSD)	Boating Safety	Support Collection Cost	Arkansas Economic Development Septic System Installation Project Grant	Prosecutor's Victim/Witness	
REVENUES			\$ 32,973	\$	\$	\$ 14,560		\$ 3,000		
State aid										
Federal aid										
Property taxes										
Sales taxes										
Fines, forfeitures, and costs	\$ 329	\$ 85	\$ 5,194	\$	\$ 27	\$ 96	\$ 36		\$ 51,433	2
Interest				735,228			10,512			
Officers' fees					151,926					
911 service fees										
Jail telephone commissions										
Service fees										
Inmate fees										
Commissary commissions										
Treasurer's commission	120,000	150,000	36	1,565	3,044	492	283			1,570
Collector's commission	345	360	33,009	741,987	154,997	15,148	10,831	3,000		53,005
Other	120,874	150,445	595	2,697	1,429	299	210			1,029
<b>TOTAL REVENUES</b>	<b>120,874</b>	<b>150,445</b>	<b>32,414</b>	<b>739,290</b>	<b>153,568</b>	<b>14,849</b>	<b>10,621</b>	<b>3,000</b>		<b>51,976</b>
Less: Treasurer's commission										
<b>NET REVENUES</b>	<b>58,109</b>	<b>69,290</b>	<b>11,959</b>	<b>691,034</b>	<b>164,727</b>	<b>25,663</b>	<b>19,568</b>	<b>3,000</b>		<b>90,629</b>
EXPENDITURES										
Current:										
General government										
Law enforcement										
Highways and streets										
Public safety										
Health										
Recreation and culture										
Social services										
<b>TOTAL EXPENDITURES</b>	<b>58,109</b>	<b>69,290</b>	<b>11,959</b>	<b>691,034</b>	<b>164,727</b>	<b>25,663</b>	<b>19,568</b>	<b>3,000</b>		<b>90,629</b>
EXCESS OF REVENUES OVER (UNDER)										
EXPENDITURES	62,565	81,155	20,455	148,256	(11,159)	(10,814)	(8,947)	0		(38,653)
OTHER FINANCING SOURCES (USES)										
Transfers in										
Transfers out										
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>62,565</b>	<b>81,155</b>	<b>20,455</b>	<b>148,256</b>	<b>(11,159)</b>	<b>(10,814)</b>	<b>(8,947)</b>	<b>0</b>		<b>45,842</b>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	265,292	102,408		1,974,932	22,503	80,033	29,153	89		7,189
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	14,285	635		21,682						1,672
Restatement adjustment	279,557	103,043		1,996,614	22,503	80,033	29,153	89		1,682
FUND BALANCES - JANUARY 1, AS RESTATED	342,122	184,198	20,455	2,144,870	11,344	69,219	20,206	89		8,871
FUND BALANCES - DECEMBER 31										

BENTON 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, 2013

SPECIAL REVENUE FUNDS

	Judicial Collections	National Association of County and City Health Officials (NACCHO) Grant	State Homeland Security Grant	Law Enforcement Training/Terrorism Prevention Grant	Arkansas Department of Environmental Quality (ADEQ) E-Waste Grant	Forensic Science Grant	Internet Crimes Against Children	Geographic Information System (GIS) Justice Assistance Grant	Sheriff's Communication Facility and Equipment
REVENUES									
State aid									
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest	\$ 84,274	\$ 4,000	\$ 106,284	\$ 41,355	\$ 10,799	\$ 53,004			\$ 67,628
Officers' fees	14								
911 service fees									
Jail telephone commissions									
Service fees									
Inmate fees									
Commissary commissions									
Treasurer's commission									
Collector's commission									
Other									197,045
TOTAL REVENUES	2,685		367		104				7,440
Less: Treasurer's commission	86,973	4,000	106,651	41,355	10,799	53,108			272,113
NET REVENUES	1,712	4,000	106,651	41,355	10,799	53,108			691
EXPENDITURES									
Current:									
General government									
Law enforcement	84,785					52,273	\$ 2,806		227,906
Highways and streets									
Public safety			106,284	41,355					
Health									
Recreation and culture									
Social services		9,000			10,799				
TOTAL EXPENDITURES	84,785	9,000	106,284	41,355	10,799	52,273	2,806		227,906
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	481	(5,000)	367	0	0	835	(2,806)		43,516
OTHER FINANCING SOURCES (USES)									
Transfers in	3,992								
Transfers out	3,992								
TOTAL OTHER FINANCING SOURCES (USES)	4,453	(5,000)	367	0	0	835	(2,806)		43,516
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	13,744	5,000							159,734
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	10								
Restatement adjustment	13,754	5,000							159,734
FUND BALANCES - JANUARY 1, AS RESTATED	18,207	0	367	0	0	835	176	9,343	203,250
FUND BALANCES - DECEMBER 31									

BENTON 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, 2013

	SPECIAL REVENUE FUNDS									
	Aviation Grant	District Court Cost	County Clerk's Cost	Drug Court	Adult Drug Court	Substance Abuse and Mental Health Services Administration - Drug Court Grant	Juvenile Detention Center State Grant Aid	Supervised Visitation	Circuit Court Juvenile Division	
REVENUES										
State aid	\$ 6				\$ 101,579	\$ 145,503	\$ 22,082			
Federal aid		\$ 164,595	\$ 183	\$ 10,618					\$ 95,114	
Property taxes		1	\$ 51,734	10						
Sales taxes										
Fines, forfeitures, and costs										
Interest										
Officers' fees										
911 service fees										
Jail telephone commissions										
Service fees										
Inmate fees										
Commissary commissions										
Treasurer's commission										
Collector's commission										
Other										
TOTAL REVENUES	6	2,589	748	35	346	200	22,082		1,730	
	6	167,185	52,665	10,663	101,925	145,703	22,082		96,844	
	6	3,292	965						345	
	6	163,893	51,700	10,663	101,925	145,703	22,082		96,499	
Less: Treasurer's commission										
NET REVENUES	30,420	241,129	63,698	6,558	101,421		22,082		23,588	
EXPENDITURES										
Current:										
General government										
Law enforcement										
Highways and streets										
Public safety						144,351				
Health										
Recreation and culture										
Social services										
TOTAL EXPENDITURES	30,420	241,129	63,698	6,558	101,421	144,351	22,082		23,588	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(30,414)	(77,236)	(11,998)	4,105	504	1,352	0		72,911	
OTHER FINANCING SOURCES (USES)										
Transfers in	21,255	81,000								
Transfers out					(465)					(27)
TOTAL OTHER FINANCING SOURCES (USES)	21,255	81,000			(465)					(27)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(9,159)	3,764	(11,998)	4,105	19	1,352	0		72,911	
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	9,550	4,412	150,554	5,794		0	23,829	27	92,430	
Restatement adjustment						(1,352)				
FUND BALANCES - JANUARY 1, AS RESTATED	9,550	4,412	150,554	5,794		(1,352)	23,829	27	92,430	
FUND BALANCES - DECEMBER 31	\$ 391	\$ 8,176	\$ 138,556	\$ 9,899	\$ 19	\$ 0	\$ 23,829	\$ 0	\$ 165,341	

BENTON 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, 2013

	SPECIAL REVENUE FUNDS										
	Juvenile Accountability Block Grant (JABG)	Alternative Dispute Resolution Grant	Department of Human Services - Division of Youth Services (DYS) Title II	Voting Systems Grant	Fire Protection (Act 833)	Rocky Branch Rural Services Grant	Northeast Benton County (NEBCO) Rural Services Grant	County Recorder's Cost	Court Automation		
REVENUES											
State aid	\$ 3,708	\$ 10,000	\$ 9,997	\$ 10,365	\$ 171,465	\$ 4,150	\$ 54,150				
Federal aid											
Property taxes											
Sales taxes											
Fines, forfeitures, and costs										\$ 55,286	60
Interest										\$ 1,172	
Officers' fees										2,277,447	
911 service fees											
Jail telephone commissions											
Service fees											
Inmate fees											
Commissary commissions											
Treasurer's commission											
Collector's commission											
Other											
TOTAL REVENUES	3,708	10,000	9,997	10,365	171,465	4,150	54,150	24,925		2,209	
Less: Treasurer's commission											
NET REVENUES	3,708	10,000	9,997	10,365	171,465	4,150	54,150	24,925		2,209	
EXPENDITURES											
Current:											
General government				10,365						885	56,113
Law enforcement											
Highways and streets											
Public safety					171,465	4,150	4,150				
Health											
Recreation and culture											
Social services											
TOTAL EXPENDITURES	3,708	10,000	9,680	10,365	171,465	4,150	4,150	885		56,113	
EXCESS OF REVENUES OVER (UNDER)	0	0	317	0	0	0	50,000	2,293,726		348	
EXPENDITURES											
OTHER FINANCING SOURCES (USES)											
Transfers in											
Transfers out											
TOTAL OTHER FINANCING SOURCES (USES)											
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	0	0	317	0	0	0	50,000	(106,274)		348	
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED											
Restatement adjustment											
FUND BALANCES - JANUARY 1, AS RESTATED											
FUND BALANCES - DECEMBER 31	0	0	317	0	0	0	50,000	1,029,776		68,044	

BENTON 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, 2013

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUND		
	Jail Maintenance Fine	Sheriff's Commissary	Historical Preservation	Capital Projects	Totals	
<b>REVENUES</b>						
State aid					\$ 323,453	
Federal aid					475,527	
Property taxes			\$ 22,015		22,015	
Sales taxes				\$ 1,182,984	1,182,984	
Fines, forfeitures, and costs	\$ 325,468				786,788	
Interest	868		339		9,328	
Officers' fees					2,407,321	
911 service fees					735,228	
Jail telephone commissions					197,045	
Service fees					151,926	
Inmate fees		\$ 29,249			29,249	
Commissary commissions		106,647			106,647	
Treasurer's commission					120,000	
Collector's commission					150,000	
Other	5,410	2,126	928		59,537	
<b>TOTAL REVENUES</b>	331,746	138,022	23,282	1,183,896	6,757,048	
Less: Treasurer's commission	1,250	1,943			26,499	
<b>NET REVENUES</b>	330,496	136,079	23,282	1,183,896	6,730,549	
<b>EXPENDITURES</b>						
Current:						
General government	417,347	49,429		853,104	1,086,978	
Law enforcement				23,463	1,479,000	
Highways and streets				136,921	136,921	
Public safety					918,438	
Health			19,084		312,078	
Recreation and culture					19,084	
Social services	417,347	49,429	19,084		19,799	
<b>TOTAL EXPENDITURES</b>	834,694	98,858	19,084	1,013,488	3,972,298	
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(504,198)	36,221	4,198	170,408	2,758,251	
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in					152,089	
Transfers out					(2,400,512)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>					152,089	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	(66,851)	86,650	4,198	170,408	509,828	
<b>FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED</b>	703,682	43,857	279,526	572,832	5,757,124	
Restatement adjustment	254	68	49		35,621	
<b>FUND BALANCES - JANUARY 1, AS RESTATED</b>	703,936	43,925	279,575	572,832	5,792,745	
<b>FUND BALANCES - DECEMBER 31</b>	\$ 617,085	\$ 130,575	\$ 283,773	\$ 743,240	\$ 6,302,573	

BENTON COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2013

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

Fund Name	Fund Description
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.
Assessor Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the County's share of surplus funds from the Property Tax Relief Trust Fund be allocated to County Assessors for the costs of administering Arkansas Constitution, Amendment no. 79.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Emergency Medical Services District (EMSD)	Benton County Ordinance no. 85-15 (June 14, 1985) established fund in accordance with Ark. Code Ann. § 20-13-301 to collect fees, within specified areas, to be used to provide emergency medical services.
Boating Safety	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.
Support Collection Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's office.
Arkansas Economic Development Septic System Installation Project Grant	Fund established to account for federal grant money received from the Arkansas Economic Development Commission for the improvement of septic systems in rural areas.
Prosecutor's Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive District Court costs levied to be used by Prosecuting Attorney for operating Victim/Witness program.
Judicial Collections	Benton County Ordinance no. 2001-62 (October 25, 2001) established fund to account for 30% of funds collected as circuit court fines which are to be used for the collection of delinquent circuit court fines and costs.
National Association of County and City Health Officials (NACCHO) Grant	Fund established to account for the proceeds of grant received from National Association of County and City Health Officials (NACCHO) which is to be used to provide training and supplies for emergency management personnel.
State Homeland Security Grant	Fund established to account for grants received from Arkansas Department of Emergency Management for the purpose of planning, purchasing equipment, training, and exercise activities.

BENTON COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2013

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

Fund Name	Fund Description
Law Enforcement Training/Terrorism Prevention Grant	Fund established to account for federal grant which provides law enforcement communities with enhanced capabilities for detecting, deterring, disrupting, and preventing acts of terrorism.
Arkansas Department of Environmental Quality (ADEQ) E-Waste Grant	Fund established to account for grant received from the Arkansas Department of Environmental Quality (ADEQ) for proper disposal of electronic waste.
Forensic Science Grant	Fund established to account for the proceeds of a Department of Justice grant for increased efficiency of processing and reporting for death investigations and crime scene processing.
Internet Crimes Against Children	Fund established to account for Federal Recovery Act Funds from the Edward Burns Memorial Justice Assistance Grant to fight internet crimes against children.
Geographic Information System (GIS) Justice Assistance Grant	Fund established to account for the proceeds of Justice Assistance Grant providing funding for a Geographic Information System (GIS) analyst.
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.
Aviation Grant	Fund established to account for State Criminal Alien Assistance Program (SCAAP) Grant received from the U.S. Office of Justice Programs for criminal justice purposes.
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes District Court filing fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the District Court.
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.
Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive program user fees set by Drug Court judges to be used for the benefit and administration of the drug court program.
Adult Drug Court	Ark. Code Ann. § 16-98-304 established fund to receive costs set by Drug Court judges to be used for treatment, drug testing, and supervision costs.

BENTON COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2013

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

Fund Name	Fund Description
Substance Abuse and Mental Health Services Administration - Drug Court Grant	Fund established to account for federal grant money received from the State of Arkansas for therapy for substance abuse.
Juvenile Detention Center State Grant Aid	Fund established to account for grant money received from the State of Arkansas for the operation and maintenance of the Juvenile Detention Center.
Supervised Visitation	Fund established to account for federal grant money received from the Department of Justice for communities to support supervised visitation and safe exchange of children in situations involving domestic violence, dating violence, child abuse, sexual assault, or stalking.
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 Accountability Block Grant (JABG)	Fund established to account for the proceeds of a grant received from the Department of Justice to be used for personnel and training costs.
Alternative Dispute Resolution Grant	Fund established to account for grant from the Arkansas Alternative Dispute Resolution Commission to promote and implement the use of alternative dispute resolution in the State of Arkansas.
Department of Human Services - Division of Youth Services (DYS) Title II Voting Systems Grant	Fund established to account for grant from Arkansas Department of Human Services - Division of Youth Services (DYS) and Arkansas Coalition for Juvenile Justice committee for promotion of juvenile justice.
Fire Protection (Act 833)	Ark. Code Ann. § 19-5-1247 established fund to receive grants from the County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.
Rocky Branch Rural Services Grant	Ark. Code Ann. § 14-284-403 requires fire protection premium tax funds to be distributed by the County to local fire districts for equipment, training, capital improvements, insurance for buildings, utility costs, or other expenditures necessary for upgrading fire service.
Northeast Benton County (NEBCO) Rural Services Grant	Fund established to account for the proceeds of grant received from Arkansas Rural Community for the purchase of personal protective equipment for firefighters. Fund established to account for the proceeds of grants received for the benefit of Northeast Benton County (NEBCO) Rural Fire Department.

BENTON COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2013

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

Fund Name	Fund Description
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 automated records system.
Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive Circuit Court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Jail Maintenance Fine	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
Sheriff's Commissary	Benton County Ordinance no. 2012-27 (April 26, 2012) established fund to receive prisoner co-pay fees for medical service and prescription drugs and over the counter fees for non-prescription drugs and toiletries.
Historical Preservation	Benton County Ordinance no. 08-28 (October 24, 2008) established fund to account for the voluntary tax millage levied by the Quorum Court for the Benton County Historical Preservation Commission.
Capital Projects	Benton County Ordinance no. 90-41 (December 13, 1990) established fund to receive a portion, determined annually by the Quorum Court, of the 1% County Sales and Use Tax. Generally, funds may be used for construction or rehabilitation of buildings, special purpose structures, roadways and bridges, and the purchase of machinery and land.
Excess Commissions	Excess Commissions consist of Treasurer's and Collector's excess commissions and excess Assessor's expenses that have not been distributed.
County Judge's Planning Board	County Judge's Planning Board consists of planning fees not yet remitted to the Treasurer.
Treasurer's Accounts	Treasurer's Accounts consist primarily of property taxes and interest due to other agencies.
Collector's Accounts	Collector's Accounts consist primarily of delinquent taxes not yet distributed to the various taxing units.
Sheriff's Accounts	Sheriff's Accounts consist primarily of fees to be settled with the Treasurer and bond, evidence, and inmates commissary money.
County Clerk's Accounts	County Clerk's Accounts consist primarily of fee money to be settled with Treasurer and trust monies awaiting disposition by the applicable court.
Circuit Clerk's Accounts	Circuit Clerk's Accounts consist of fee money to be settled with Treasurer and trust monies awaiting disposition by the applicable court.
Assessor's Accounts	Assessor's Accounts consist of copy machine fees not yet remitted to the Treasurer.

BENTON COUNTY, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2013  
(Unaudited)

Schedule 3

	<u>December 31, 2013</u>
Land	\$ 5,125,347
Buildings	37,699,157
Equipment	<u>29,099,960</u>
Total	<u>\$ 71,924,464</u>

BENTON COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - REGULATORY BASIS  
 DECEMBER 31, 2013  
 (Unaudited)

<u>General</u>	2013	2012	2011	2010	2009
Total Assets	\$ 23,747,805	\$ 25,624,127	\$ 25,144,195	\$ 27,097,879	\$ 19,996,716
Total Liabilities	680,004	820,603	661,777	651,704	431,947
Total Fund Balances	23,067,801	24,803,524	24,482,418	26,446,175	19,564,769
Net Revenues	40,161,258	39,986,024	38,273,989	43,754,033	46,733,067
Total Expenditures	41,058,518	38,613,383	37,450,461	36,026,485	39,209,253
Total Other Financing Sources/Uses	(927,471)	(888,729)	(2,741,747)	(846,142)	(2,897,586)
<u>Road</u>					
Total Assets	\$ 1,056,424	\$ 609,682	\$ 1,323,681	\$ 534,798	\$ 629,263
Total Liabilities	247,090	183,958	91,013	78,713	242,826
Total Fund Balances	809,334	425,724	1,232,668	456,085	386,437
Net Revenues	7,630,052	6,817,830	7,476,452	6,772,564	12,379,727
Total Expenditures	10,437,695	10,521,257	11,145,195	8,172,916	14,560,350
Total Other Financing Sources/Uses	3,175,894	3,179,435	4,445,326	1,470,000	2,331,060
<u>Other Funds in the Aggregate</u>					
Total Assets	\$ 18,999,218	\$ 17,936,218	\$ 24,934,164	\$ 29,448,722	\$ 20,790,595
Total Liabilities	12,696,645	12,179,094	18,072,379	21,040,926	10,354,752
Total Fund Balances	6,302,573	5,757,124	6,861,785	8,407,796	10,435,843
Net Revenues	6,730,549	5,737,557	9,167,206	5,350,156	4,863,336
Total Expenditures	3,972,298	4,525,321	9,055,176	6,512,951	3,600,041
Total Other Financing Sources/Uses	(2,248,423)	(2,316,897)	(1,703,579)	(865,252)	566,526

