

Fulton County, Arkansas

Financial and Compliance Report

December 31, 2019

LEGISLATIVE JOINT AUDITING COMMITTEE



FULTON COUNTY, ARKANSAS
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Financial and Compliance Report

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Arkansas



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Senate Vice Chair

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House Chair
Rep. DeAnn Vaught
House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

A priority of Arkansas Legislative Audit is to assist county government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of county governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to regulatory basis financial information and compliance with certain state laws and accepted accounting practices for Fulton County, Arkansas, as of and for the year ended December 31, 2019, and have issued our report thereon dated October 29, 2020. These procedures were not performed for the Fulton County Hospital. Management of the County is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2019:

County Judge: J.R. Kendrick, Sr.
Treasurer: Barry Abney
Sheriff: Albert Rook
Tax Collector: Michalle Watkins
County and Circuit Clerk: Vickie Bishop
Assessor: Brad Schaufler
County Librarian: Betty Rook
District Court Clerk: Brandon Holder

We evaluated the County's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

Noncompliance with state law and accepted accounting practices was noted in the offices of **County Judge** and **District Court Clerk**.

County Judge

Competitive bids were not properly solicited or waived for the following purchases, which exceed \$20,000, in noncompliance with Ark. Code Ann. § 14-22-104: \$125,000 for an excavator and \$27,987 for a law enforcement vehicle.

District Court Clerk

Balances remaining in the bank were not identified with receipts issued for cases not yet adjudicated and payments on all unpaid individual time accounts, as required by Ark. Code Ann. § 16-10-209. A similar finding was issued in the previous 13 reports dating back to 2004.

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

ARKANSAS LEGISLATIVE AUDIT

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
October 29, 2020
LOCO02519

FULTON COUNTY, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2019
(UNAUDITED)

Exhibit A

	General	Road	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 675,115	\$ 1,317,533	\$ 1,439,856
Accounts receivable	26,303	5,347	35,022
TOTAL ASSETS	\$ 701,418	\$ 1,322,880	\$ 1,474,878
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 25,625	\$ 79,661	\$ 24,000
Settlements pending	60,576		395,575
Total Liabilities	86,201	79,661	419,575
Fund Balances:			
Restricted	5,647		1,055,303
Assigned	2,838	1,243,219	
Unassigned	606,732		
Total Fund Balances	615,217	1,243,219	1,055,303
TOTAL LIABILITIES AND FUND BALANCES	\$ 701,418	\$ 1,322,880	\$ 1,474,878

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

FULTON COUNTY, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 416,912	\$ 1,267,824	\$ 275,680
Federal aid	18,245		2,900
Property taxes	348,381	175,033	105,250
Sales taxes	208,924	208,923	1,355,001
Fines, forfeitures, and costs	179,460		59,900
Interest	4,936	21,392	11,304
Officers' fees	42,672		96,168
911 fees			126,553
Jail fees	72		39,277
Treasurer's commission	91,642		13,004
Collector's commission	151,202		22,902
Taxes apportioned - Assessor's salary and expense	180,778		
Other	107,747	2,613	17,284
	<u>1,750,971</u>	<u>1,675,785</u>	<u>2,125,223</u>
TOTAL REVENUES			
Less: Treasurer's commission	27,633	28,402	38,649
	<u>1,723,338</u>	<u>1,647,383</u>	<u>2,086,574</u>
NET REVENUES			
EXPENDITURES			
Current:			
General government	753,215		337,596
Law enforcement	696,328		530,088
Highways and streets		1,801,724	
Public safety	22,739		237,191
Sanitation	767		
Health	41,917		68,246
Recreation and culture	15,857		141,971
Social services	50,636		
Total Current	<u>1,581,459</u>	<u>1,801,724</u>	<u>1,315,092</u>
Debt Service:			
Bond principal			188,160
Bond interest and other charges			68,667
	<u>1,581,459</u>	<u>1,801,724</u>	<u>1,571,919</u>
TOTAL EXPENDITURES			

FULTON COUNTY, ARKANSAS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 (UNAUDITED)

Exhibit B

	General	Road	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 141,879	\$ (154,341)	\$ 514,655
OTHER FINANCING SOURCES (USES)			
Transfers in			181,674
Transfers out	(327)		(181,347)
Sales tax collected and remitted to local fire departments			(396,967)
Sales tax remitted to hospital			(215,843)
Contributions from hospital			88,236
TOTAL OTHER FINANCING SOURCES (USES)	(327)		(524,247)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	141,552	(154,341)	(9,592)
FUND BALANCES - JANUARY 1	473,665	1,397,560	1,064,895
FUND BALANCES - DECEMBER 31	\$ 615,217	\$ 1,243,219	\$ 1,055,303

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

FULTON 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, 2019
(UNAUDITED)

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 350,119	\$ 416,912	\$ 66,793	\$ 1,116,323	\$ 1,267,824	\$ 151,501
Federal aid	3,738	18,245	14,507	156		(156)
Property taxes	352,230	348,381	(3,849)	193,262	175,033	(18,229)
Sales taxes	202,210	208,924	6,714	210,381	208,923	(1,458)
Fines, forfeitures, and costs	252,389	179,460	(72,929)			
Interest	927	4,936	4,009	3,408	21,392	17,984
Officers' fees	28,379	42,672	14,293			
Jail fees		72	72			
Treasurer's commission	92,110	91,642	(468)			
Collector's commission	212,163	151,202	(60,961)			
Taxes apportioned - Assessor's salary and expense	150,067	180,778	30,711			
Other	84,178	107,747	23,569	26,470	2,613	(23,857)
TOTAL REVENUES	1,728,510	1,750,971	22,461	1,550,000	1,675,785	125,785
Less: Treasurer's commission		27,633	(27,633)		28,402	(28,402)
NET REVENUES	1,728,510	1,723,338	(5,172)	1,550,000	1,647,383	97,383
EXPENDITURES						
General government	758,680	753,215	5,465			
Law enforcement	755,498	696,328	59,170			
Highways and streets				2,018,486	1,801,724	216,762
Public safety	26,857	22,739	4,118			
Sanitation	767	767				
Health	43,373	41,917	1,456			
Recreation and culture	17,900	15,857	2,043			
Social services	52,204	50,636	1,568			
TOTAL EXPENDITURES	1,655,279	1,581,459	73,820	2,018,486	1,801,724	216,762
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	73,231	141,879	68,648	(468,486)	(154,341)	314,145
OTHER FINANCING SOURCES (USES)						
Transfers out		(327)	(327)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	73,231	141,552	68,321	(468,486)	(154,341)	314,145
FUND BALANCES - JANUARY 1	103,790	473,665	369,875	1,450,000	1,397,560	(52,440)
FUND BALANCES - DECEMBER 31	<u>\$ 177,021</u>	<u>\$ 615,217</u>	<u>\$ 438,196</u>	<u>\$ 981,514</u>	<u>\$ 1,243,219</u>	<u>\$ 261,705</u>

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

FULTON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS									
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Public Library	Child Support Cost	Drug Control
ASSETS									
Cash and cash equivalents	\$ 44,443	\$ 86,299	\$ 17,706	\$ 4,003	\$ 18,798	\$ 77,028	\$ 250,441	\$ 4,936	\$ 20,968
Accounts receivable	2,199		270	479		8,020	67	75	3
TOTAL ASSETS	\$ 46,642	\$ 86,299	\$ 17,976	\$ 4,482	\$ 18,798	\$ 85,048	\$ 250,508	\$ 5,011	\$ 20,971
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable				\$ 100		\$ 357	\$ 490		
Settlements pending									
Total Liabilities				100		357	490		
Fund Balances:									
Restricted	\$ 46,642	\$ 86,299	\$ 17,976	4,382	\$ 18,798	84,691	250,018	\$ 5,011	\$ 20,971
TOTAL LIABILITIES AND FUND BALANCES	\$ 46,642	\$ 86,299	\$ 17,976	\$ 4,482	\$ 18,798	\$ 85,048	\$ 250,508	\$ 5,011	\$ 20,971

FULTON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

SPECIAL REVENUE FUNDS									
	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Law Enforcement Sales Tax	Indigent Criminal Defense	Public Safety	Criminal Justice	Circuit Clerk Commissioner's Fee	Hospital Sales Tax
ASSETS									
Cash and cash equivalents	\$ 51,903	\$ 9,022	\$ 36,696	\$ 77,254	\$ 10,551	\$ 162	\$ 17,263	\$ 4,980	\$ 17,273
Accounts receivable	2,614		20,362				933		
TOTAL ASSETS	\$ 54,517	\$ 9,022	\$ 57,058	\$ 77,254	\$ 10,551	\$ 162	\$ 18,196	\$ 4,980	\$ 17,273
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 4,466		\$ 774		\$ 359				\$ 17,273
Settlements pending									
Total Liabilities	4,466		774		359				17,273
Fund Balances:									
Restricted	50,051	\$ 9,022	56,284	\$ 77,254	10,192	\$ 162	\$ 18,196	\$ 4,980	
TOTAL LIABILITIES AND FUND BALANCES	\$ 54,517	\$ 9,022	\$ 57,058	\$ 77,254	\$ 10,551	\$ 162	\$ 18,196	\$ 4,980	\$ 17,273

FULTON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUNDS		
	16th Judicial District Court	Community Development Block Grant	Courtroom Security Grant	Fulton County Recreational Complex	Sheriff's Drug	Communication Facility and Equipment	Fulton County Water Project	Hospital Improvement Grant
ASSETS								
Cash and cash equivalents	\$ 2,173	\$ 1	\$ 45	\$ 3,929	\$ 4,187	\$ 6,275	\$ 1	\$ 46,395
Accounts receivable								
TOTAL ASSETS	<u>\$ 2,173</u>	<u>\$ 1</u>	<u>\$ 45</u>	<u>\$ 3,929</u>	<u>\$ 4,187</u>	<u>\$ 6,275</u>	<u>\$ 1</u>	<u>\$ 46,395</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 181				
Settlements pending								
Total Liabilities				<u>181</u>				
Fund Balances:								
Restricted	\$ 2,173	\$ 1	\$ 45	3,748	\$ 4,187	\$ 6,275	\$ 1	\$ 46,395
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,173</u>	<u>\$ 1</u>	<u>\$ 45</u>	<u>\$ 3,929</u>	<u>\$ 4,187</u>	<u>\$ 6,275</u>	<u>\$ 1</u>	<u>\$ 46,395</u>

FULTON COUNTY, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 1

	DEBT SERVICE FUNDS		CUSTODIAL FUNDS					Totals
	Jail Sales and Use Tax Bond	2013 Series Sales and Use Tax Bonds	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	District Court Accounts	
ASSETS								
Cash and cash equivalents	\$ 231,548	\$ 1	\$ 203,679	\$ 54,805	\$ 5,057	\$ 111,907	\$ 20,127	\$ 1,439,856
Accounts receivable								35,022
TOTAL ASSETS	\$ 231,548	\$ 1	\$ 203,679	\$ 54,805	\$ 5,057	\$ 111,907	\$ 20,127	\$ 1,474,878
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								\$ 24,000
Settlements pending			\$ 203,679	\$ 54,805	\$ 5,057	\$ 111,907	\$ 20,127	395,575
Total Liabilities			203,679	54,805	5,057	111,907	20,127	419,575
Fund Balances:								
Restricted	\$ 231,548	\$ 1						1,055,303
TOTAL LIABILITIES AND FUND BALANCES	\$ 231,548	\$ 1	\$ 203,679	\$ 54,805	\$ 5,057	\$ 111,907	\$ 20,127	\$ 1,474,878

FULTON 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, 2019
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Circuit Court Automation	District Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Public Library	Reappraisal Cost	Child Support Cost
REVENUES									
State aid					\$ 5,732	\$ 16,609	\$ 27,691	\$ 222,740	
Federal aid									
Property taxes							105,250		
Sales taxes									
Fines, forfeitures, and costs			\$ 2,429	\$ 8,226					
Interest	\$ 689	\$ 1,135	297	60	380	840	3,746		\$ 72
Officers' fees						90,350			1,047
911 fees									
Jail fees									
Treasurer's commission	13,004								
Collector's commission		22,902							
Other		52	6	10	10	200	3,985		
TOTAL REVENUES	13,693	24,089	2,732	8,296	6,122	107,999	140,672	222,740	1,119
Less: Treasurer's commission		481	53	165	122	1,834	2,726		3
NET REVENUES	13,693	23,608	2,679	8,131	6,000	106,165	137,946	222,740	1,116
EXPENDITURES									
Current:									
General government	9,500	19,621			8,209	77,526		222,740	
Law enforcement			5,004	6,972					
Public safety									
Health									
Recreation and culture							140,068		
Total Current	9,500	19,621	5,004	6,972	8,209	77,526	140,068	222,740	
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES	9,500	19,621	5,004	6,972	8,209	77,526	140,068	222,740	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,193	3,987	(2,325)	1,159	(2,209)	28,639	(2,122)		1,116
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Sales tax collected and remitted to local fire departments									
Sales tax remitted to hospital									
Contributions from hospital									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	4,193	3,987	(2,325)	1,159	(2,209)	28,639	(2,122)		1,116
FUND BALANCES - JANUARY 1	42,449	82,312	20,301	3,223	21,007	56,052	252,140		3,895
FUND BALANCES - DECEMBER 31	<u>\$ 46,642</u>	<u>\$ 86,299</u>	<u>\$ 17,976</u>	<u>\$ 4,382</u>	<u>\$ 18,798</u>	<u>\$ 84,691</u>	<u>\$ 250,018</u>	<u>\$ 0</u>	<u>\$ 5,011</u>

FULTON 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, 2019
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Drug Control	Jail Operation and Maintenance	Boating Safety and Enforcement	Emergency 911	Law Enforcement Sales Tax	Indigent Criminal Defense	Public Safety	Criminal Justice	Circuit Clerk Commissioner's Fee
REVENUES									
State aid			\$ 1,048			\$ 1,860			
Federal aid									
Property taxes									
Sales taxes					\$ 481,447				
Fines, forfeitures, and costs		\$ 25,276				9,947	\$ 59	\$ 13,963	
Interest	\$ 329	840	131	\$ 1,334	382	187	2	263	\$ 75
Officers' fees								286	210
911 fees				126,553					
Jail fees		39,277							
Treasurer's commission									
Collector's commission									
Other	4	549	3	341		28		5,030	1
TOTAL REVENUES	333	65,942	1,182	128,228	481,829	12,022	61	19,542	286
Less: Treasurer's commission	6	1,353	24	2,644	9,637	252	1	339	5
NET REVENUES	327	64,589	1,158	125,584	472,192	11,770	60	19,203	281
EXPENDITURES									
Current:									
General government									
Law enforcement		81,265			394,938	13,912		17,187	
Public safety				237,191					
Health									
Recreation and culture									
Total Current		81,265		237,191	394,938	13,912		17,187	
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES		81,265		237,191	394,938	13,912		17,187	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	327	(16,676)	1,158	(111,607)	77,254	(2,142)	60	2,016	281
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out									
Sales tax collected and remitted to local fire departments									
Sales tax remitted to hospital									
Contributions from hospital									
TOTAL OTHER FINANCING SOURCES (USES)									
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	327	(16,676)	1,158	(111,607)	77,254	(2,142)	60	2,016	281
FUND BALANCES - JANUARY 1	20,644	66,727	7,864	167,891		12,334	102	16,180	4,699
FUND BALANCES - DECEMBER 31	<u>\$ 20,971</u>	<u>\$ 50,051</u>	<u>\$ 9,022</u>	<u>\$ 56,284</u>	<u>\$ 77,254</u>	<u>\$ 10,192</u>	<u>\$ 162</u>	<u>\$ 18,196</u>	<u>\$ 4,980</u>

FULTON 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, 2019
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS								
	Fire Protection Sales Tax	Hospital Sales Tax	16th Judicial District Court	Community Development Block Grant	Courtroom Security Grant	Justice Assistance Grant (JAG)	Fulton County Recreational Complex	Sheriff's Drug	Communication Facility and Equipment
REVENUES									
State aid									
Federal aid						\$ 2,300			
Property taxes									
Sales taxes	\$ 371,725	\$ 371,725							
Fines, forfeitures, and costs									
Interest		227	\$ 34		\$ 1		\$ 71	\$ 3	
Officers' fees								\$ 4,275	
911 fees									
Jail fees									
Treasurer's commission									
Collector's commission									
Other	866	866						5,030	
TOTAL REVENUES	372,591	372,818	34		1	2,300	71	3	9,305
Less: Treasurer's commission	8,084	8,088	1				2		
NET REVENUES	364,507	364,730	33		1	2,300	69	3	9,305
EXPENDITURES									
Current:									
General government									
Law enforcement						2,627		104	8,079
Public safety									
Health									
Recreation and culture							1,903		
Total Current						2,627	1,903	104	8,079
Debt Service:									
Bond principal									
Bond interest and other charges									
TOTAL EXPENDITURES						2,627	1,903	104	8,079
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	364,507	364,730	33		1	(327)	(1,834)	(101)	1,226
OTHER FINANCING SOURCES (USES)									
Transfers in						327			
Transfers out		(181,347)							
Sales tax collected and remitted to local fire departments	(396,967)								
Sales tax remitted to hospital		(215,843)							
Contributions from hospital									
TOTAL OTHER FINANCING SOURCES (USES)	(396,967)	(397,190)				327			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(32,460)	(32,460)	33		1		(1,834)	(101)	1,226
FUND BALANCES - JANUARY 1	32,460	32,460	2,140	\$ 1	44		5,582	4,288	5,049
FUND BALANCES - DECEMBER 31	\$ 0	\$ 0	\$ 2,173	\$ 1	\$ 45	\$ 0	\$ 3,748	\$ 4,187	\$ 6,275

FULTON 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, 2019
 (UNAUDITED)

Schedule 2

	CAPITAL PROJECTS FUNDS		DEBT SERVICE FUNDS		Totals
	Fulton County Water Project	Hospital Improvement Grant	Jail Sales and Use Tax Bond	2013 Series Sales and Use Tax Bonds	
REVENUES					
State aid					\$ 275,680
Federal aid		\$ 600			2,900
Property taxes					105,250
Sales taxes			\$ 130,104		1,355,001
Fines, forfeitures, and costs					59,900
Interest			206		11,304
Officers' fees					96,168
911 fees					126,553
Jail fees					39,277
Treasurer's commission					13,004
Collector's commission					22,902
Other			303		17,284
TOTAL REVENUES		600	130,613		2,125,223
Less: Treasurer's commission			2,829		38,649
NET REVENUES		600	127,784		2,086,574
EXPENDITURES					
Current:					
General government					337,596
Law enforcement					530,088
Public safety					237,191
Health		68,246			68,246
Recreation and culture					141,971
Total Current		<u>68,246</u>			<u>1,315,092</u>
Debt Service:					
Bond principal			34,433	\$ 153,727	188,160
Bond interest and other charges			41,047	27,620	68,667
TOTAL EXPENDITURES		68,246	75,480	181,347	1,571,919
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(67,646)	52,304	(181,347)	514,655
OTHER FINANCING SOURCES (USES)					
Transfers in				181,347	181,674
Transfers out					(181,347)
Sales tax collected and remitted to local fire departments					(396,967)
Sales tax remitted to hospital					(215,843)
Contributions from hospital		88,236			88,236
TOTAL OTHER FINANCING SOURCES (USES)		88,236		181,347	(524,247)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		20,590	52,304		(9,592)
FUND BALANCES - JANUARY 1	\$ 1	25,805	179,244	1	1,064,895
FUND BALANCES - DECEMBER 31	\$ 1	\$ 46,395	\$ 231,548	\$ 1	\$ 1,055,303

FULTON COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2019

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 commission 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.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees to be used solely for district court-related technology.
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 purpose of administering Ark. Const. amend. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
County Public Library	Ark. Code Ann. § 13-2-404 established fund to account for library property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from the State.
Child Support Cost	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Drug Control	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency.
Jail Operation and Maintenance	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, including construction and maintenance of the county jail.
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 the county or for emergency rescue services if the county has not established a patrol.
Emergency 911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by commercial mobile radio service providers for 911 emergency services.

FULTON COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2019

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

<u>Fund Name</u>	<u>Fund Description</u>
Law Enforcement Sales Tax	Fulton County Ordinance no. 2018-08 (September 10, 2018) established fund to receive a one percent (1.0%) sales and use tax, approved by voters on December 11, 2018, levied for the purpose of improving, equipping, staffing, and providing for the operation and maintenance of the Fulton County Sheriff's office and Fulton County Detention facilities and to pay for the costs associated with the housing of prisoners.
Indigent Criminal Defense	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court, defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.
Public Safety	Ark. Code Ann. § 27-34-108 established fund to receive 25% of the district court fines levied for violations of the Child Passenger Protection Code to be used for promotion of public safety.
Criminal Justice	Fulton County Ordinance no. 2009-6 (June 8, 2009) established fund to receive court cost to be used for operations of the criminal justice system.
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 expense of the office of circuit clerk.
Fire Protection Sales Tax	Fulton County Ordinance no. 2002-14 (August 12, 2002) established fund to receive one-half of one percent (.50%) sales and use tax, approved by voters on November 5, 2002, levied for the purpose of funding fire protection facilities for various fire departments.
Hospital Sales Tax	Established to receive a one-half of one percent (.50%) sales and use tax, approved by voters on September 13, 2005, levied for the debt service requirements on a future bond issue (2007) with any funds in excess of debt requirements to be used for operation and maintenance of the county hospital. Funds for the debt service requirements are distributed to the 2007 Series Sales and Use Tax Bond Fund, and funds for the operation and maintenance of the hospital are distributed to the Fulton County Hospital. In 2013, the 2007 Series Sales and Use Tax Bond Fund was refunded by a 2013 Series Sales and Use Tax Bond.
16th Judicial District Court	Circuit court order established fund for the purchase of office equipment, office supplies, and supplementation of salaries for support personnel. The County General Fund originally transferred \$4,000 into the 16th Judicial District Fund.
Community Development Block Grant	Established to receive and disburse federal grant monies; fund is restricted by Grantor.

FULTON COUNTY, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2019

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

<u>Fund Name</u>	<u>Fund Description</u>
Courtroom Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Justice Assistance Grant (JAG)	Established to account for grants received from the U.S. Department of Justice to assist in fighting crime in the community.
Fulton County Recreational Complex	Established to account for a grant received for the purpose of constructing a restroom/concession building at the Fulton County sports complex.
Sheriff's Drug	Fulton County Ordinance no. 2004-14 (November 8, 2004) established fund to assist the County Sheriff in drug enforcement.
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.
Fulton County Water Project	Established to receive and disburse Arkansas Community and Economic Development (ACEDP) Grant for the installation of water infrastructure. Fulton County is the project administrator for the grantee. Fund is restricted by Grantor.
Hospital Improvement Grant	Established to receive and disburse United States Department of Agriculture Rural Development (USDA) Grant for additional parking and electrical upgrades for the Hospital. Fulton County is the project administrator for the grantee. Fund is restricted by Grantor.
Jail Sales and Use Tax Bond	Fulton County Ordinance no. 2012-11 (November 5, 2012) established fund to receive 17.5% of the County's one percent sales and use tax pledged for debt service of a 2013 bond issue for the construction of a new county jail and law enforcement complex.
2013 Series Sales and Use Tax Bonds	Established to receive one half of one percent (.50%) sales and use tax, approved by voters on September 13, 2005, to be used for the debt service requirements on the 2007 Series bond issue, as distributed from the Hospital Sales Tax Fund. In 2013, the 2007 Series bond issued was refinanced with a 2013 Series bond issue.

Treasurer's accounts consist primarily of treasurer's commission and funds not distributed to the appropriate agencies.

Collector's accounts consist primarily of delinquent taxes not yet distributed to the various taxing units.

Sheriff's accounts consist primarily of bonds pending.

County Clerk's accounts consist primarily of trust money awaiting disposition and fee money to be settled with the treasurer.

District Court accounts consist primarily of fines and costs not yet distributed to the county and/or state.

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

1. A. **Basis of Presentation - Regulatory**

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 and other requirements 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, and sales taxes that are restricted or assigned 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 Special Revenue Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets. The Capital Projects Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

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

Custodial Funds - Custodial Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The Custodial Funds presented on Schedule 1 are reported with other funds in the aggregate.

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

1. (Continued)

B. Basis of Accounting - Regulatory

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, as well as county sales taxes, 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. Pension trust funds are reported in a separate column as a part of supplementary information in order to provide users of the financial statements a better understanding of the entity as a whole.

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.

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, officers' fees, commission, property taxes, and trust accounts 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.

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

1. (Continued)

D. Property Taxes

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

E. Budget Law

1. Legal Requirements

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

2. Accounting

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

F. Fund Balance Classification Policies and Procedures

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

For classification of fund balance amounts, restricted resources are considered spent before unrestricted. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

There were no committed fund balances at year end.

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

2. Details of Fund Balance Classifications

Fund balance classifications at December 31, 2019, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 246,421
Law enforcement			220,724
Public safety			56,446
Recreation and culture	\$ 5,647		253,766
Social services			1
Capital outlay			46,396
Debt service			231,549
Total Restricted	5,647		1,055,303
Assigned to:			
General government	2,838		
Highways and streets		\$ 1,243,219	
Total Assigned	2,838	1,243,219	
Unassigned	606,732		
Totals	\$ 615,217	\$ 1,243,219	\$ 1,055,303

3. Commitments

Total commitments consist of the following at December 31, 2019:

	December 31, 2019
Long-term liabilities	\$ 2,222,489
Noncancellable leases	207,805
Reappraisal contract	445,488
Total Commitments	\$ 2,875,782

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

3. Commitments (Continued)

Long-term Liabilities

Long-term liabilities at December 31, 2019, are comprised of the following:

	December 31, 2019
<u>Bonds</u>	
Hospital Sales and Use Tax Bonds, Series 2013, dated September 27, 2013, in the amount of \$1,773,000 with an annual interest rate of 2.9% for the refinancing of the Sales and Use Tax Bonds Series 2007. The 2007 Series Bonds were issued for the purpose of acquiring, constructing, and equipping improvements of the county hospital. These bonds shall be payable from the proceeds of the 1/2% county sales tax. 138 payments of \$15,112 are due on the 1st of each month beginning October 1, 2013 through March 1, 2025. Payments are made from the 2013 Series Sales and Use Tax Bonds Fund.	\$ 869,141
USDA-RD Sales and Use Tax Capital Improvement Bond - Series 2012, dated January 1, 2013, in the amount of \$1,700,000 with an interest rate of 3.125% for the purpose of acquiring, constructing, furnishing, and equipping the new county jail. The bonds shall be payable from the proceeds of 17.5% of the 1% county sales tax. Originally, 480 monthly payments of \$6,290 were scheduled, but the County paid extra principal during the years 2014-2017, and beginning in January 2018, the County began making 319 monthly payments of \$6,290 through July 2044 and a final payment of \$1,812 in August 2044. Payments are to be made from the Jail Sales and Use Tax Bonds Fund.	1,294,755
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	58,593
Total Long-term liabilities	\$ 2,222,489

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

The County's outstanding bonds payable of \$2,163,896 contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the County and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

3. Commitments (Continued)

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2019	Maturities to December 31, 2019
<u>Bonds</u>					
9/27/13	3/1/25	2.9%	\$ 1,773,000	\$ 869,141	\$ 903,859
1/1/13	8/1/44	3.125%	1,700,000	1,294,755	405,245
Total Long-Term Debt			<u>\$ 3,473,000</u>	<u>\$ 2,163,896</u>	<u>\$ 1,309,104</u>

Changes in Long-Term Debt

	Balance January 01, 2019	Issued	Retired	Balance December 31, 2019
Bonds payable	<u>\$ 2,352,056</u>	<u>\$ 0</u>	<u>\$ 188,160</u>	<u>\$ 2,163,896</u>

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2019:

Years Ending December 31,	Bonds		
	Principal	Interest	Total
2020	\$ 193,700	\$ 63,127	\$ 256,827
2021	199,545	57,282	256,827
2022	205,494	51,333	256,827
2023	211,621	45,206	256,827
2024	217,914	38,912	256,826
2025 through 2029	251,325	156,299	407,624
2030 through 2034	258,567	118,833	377,400
2035 through 2039	302,234	75,166	377,400
2040 through 2044	323,496	24,270	347,766
Totals	<u>\$ 2,163,896</u>	<u>\$ 630,428</u>	<u>\$ 2,794,324</u>

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

3. Commitments (Continued)

Noncancellable Leases

The County entered into noncancellable lease agreements for two motor graders on July 26, 2019, one motor grader on November 7, 2019, and one motor grader on November 25, 2019. Terms of the leases are monthly rental payments of \$2,990, \$1,686, and \$1,651 per month, respectively, for 36 months. At the end of the lease term, the County will return the graders to the lessor. The County is obligated for the following amounts for the next three years:

<u>Year</u>	<u>December 31, 2019</u>
2020	\$ 75,926
2021	75,926
2022	<u>55,953</u>
Total	<u>\$ 207,805</u>

Rental expense for 2019 was \$45,027.

County-Wide Reappraisal Contract

The County entered into a contract with Total Assessment Solutions Corporation on October 24, 2016, for a county-wide reappraisal. The County is obligated for 60 monthly payments of \$18,562 for a total of \$1,113,720 beginning January 15, 2017. Contract expense for 2019 was \$222,744.

The County is obligated for the following amounts at December 31, 2019:

<u>Year</u>	<u>December 31, 2019</u>
2020	\$ 222,744
2021	<u>222,744</u>
Total	<u>\$ 445,488</u>

4. Interfund Transfers

General Fund transferred \$327 to Justice Assistance Grant (JAG) Fund for operating expenses. Also, within the Other Funds in the Aggregate, the Hospital Sales Tax Fund transferred \$181,347 to the 2013 Series Sales and Use Tax Bond Fund for debt related purposes.

5. Change in Accounting Policy

Ark. Code Ann. § 14-71-101 went into effect for the year ended December 31, 2019, and requires sales taxes be recognized in the year received by the County. For 2019, the County will only recognize 11 months of sales taxes instead of 12 months.

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

6. Pledged Revenues

The County pledged future 0.5% sales and use taxes to repay \$1,773,000 in bonds that were issued in 2013 to provide funding for the acquisition, construction, and equipping of improvements at the Fulton County Hospital. Total principal and interest remaining on the bonds are \$869,141 and \$67,818, respectively, payable through March 1, 2025. For 2019, principal and interest paid were \$153,727 and \$27,620, respectively.

The Hospital Sales Tax Fund received \$371,725 in sales taxes in 2019. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for the operation and maintenance of the county hospital.

The County pledged future .0175% sales and use taxes to repay \$1,700,000 in bonds that were issued in 2013 to provide funding for the acquisition, construction, and furnishing of a new jail. Total principal and interest remaining on the bonds are \$1,294,755 and \$562,610, respectively, payable through 2044. For 2019, principal and interest paid were \$34,433 and \$41,047, respectively.

7. Related Party Transactions

The County General Fund subsidized the Fulton County Hospital \$20,000 to be utilized for ambulance expenses. The Fulton County Hospital contributed \$88,236 to the Hospital Improvement Grant Fund to be utilized for capital projects.

8. Jointly Governed Organization: White River Regional Library

Independence, Stone, Sharp, Cleburne, Izard, and Fulton Counties entered into an agreement in May 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the White River Regional Library. Initially, the parties agreed to the formation of a regional library for a period of two years. The Board's existence was continued from year to year thereafter, unless a participating member gave notice of cancellation at least 60 days prior to the end of the fiscal year. Independence County cancelled its membership on April 10, 2016. The White River Regional Library Board is comprised of one board member from each of the participating counties. The County Library did not pay any regional library expenditures in 2019. Contact the White River Regional Library at P. O. Box 1107, Mountain View, AR 72560, to obtain financial statements.

9. 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.

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, 2019 (date of APERS Employer Allocation Report) were \$236,321.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are 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, 2019 (actuarial valuation date and measurement date) was \$1,944,713.

FULTON COUNTY, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2019
(UNAUDITED)

10. Subsequent Events

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered the Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID 2019). The extent of the impact of COVID 19 on the financial statements for future reporting periods will depend on certain developments, including the duration and speed of the outbreak, revenue collections, and any other possible issues, all of which are uncertain and cannot be predicted. The financial impact of COVID 19 to the County is uncertain.

11. Capital Assets

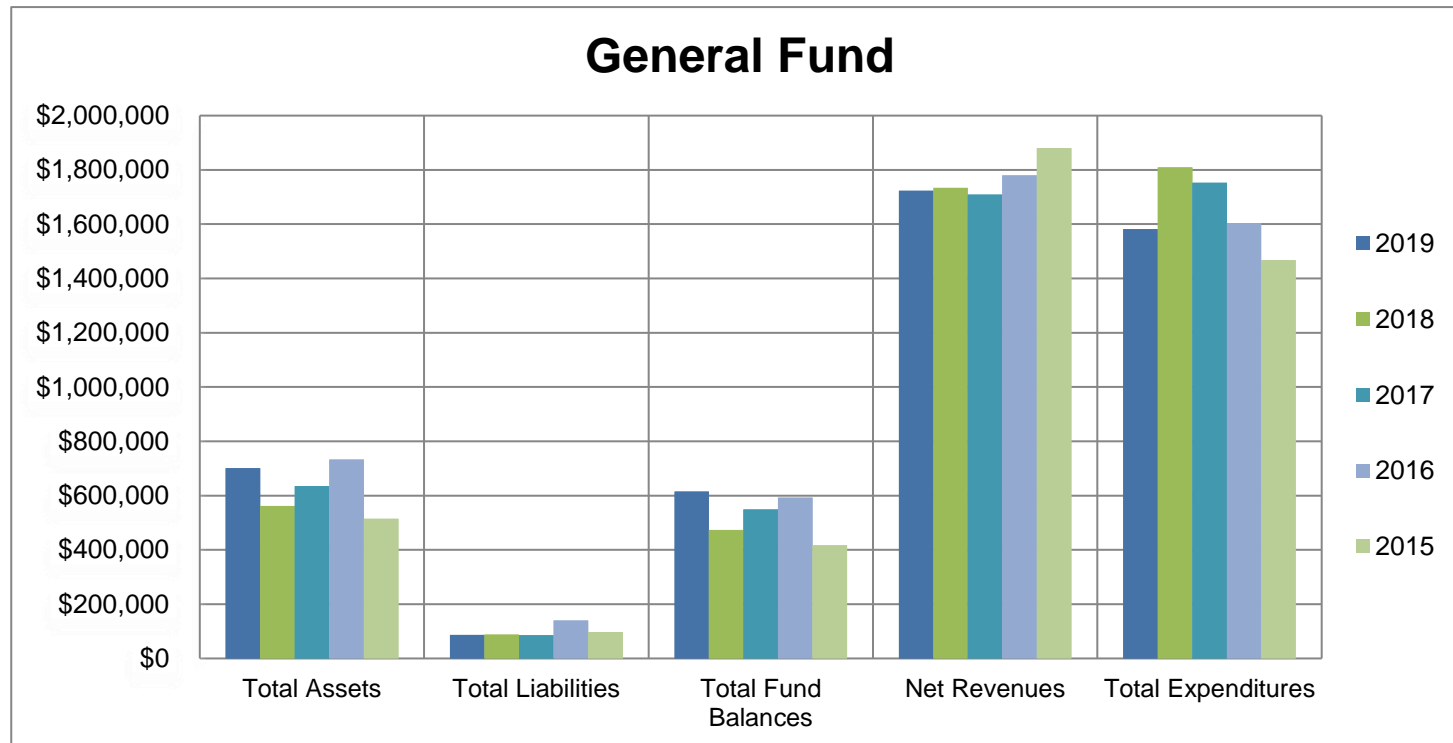
The County's capital assets records are summarized below :

	December 31, 2019
Land	\$ 240,913
Buildings	4,194,054
Equipment	<u>3,450,380</u>
Total	<u>\$ 7,885,347</u>

FULTON COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 3-1

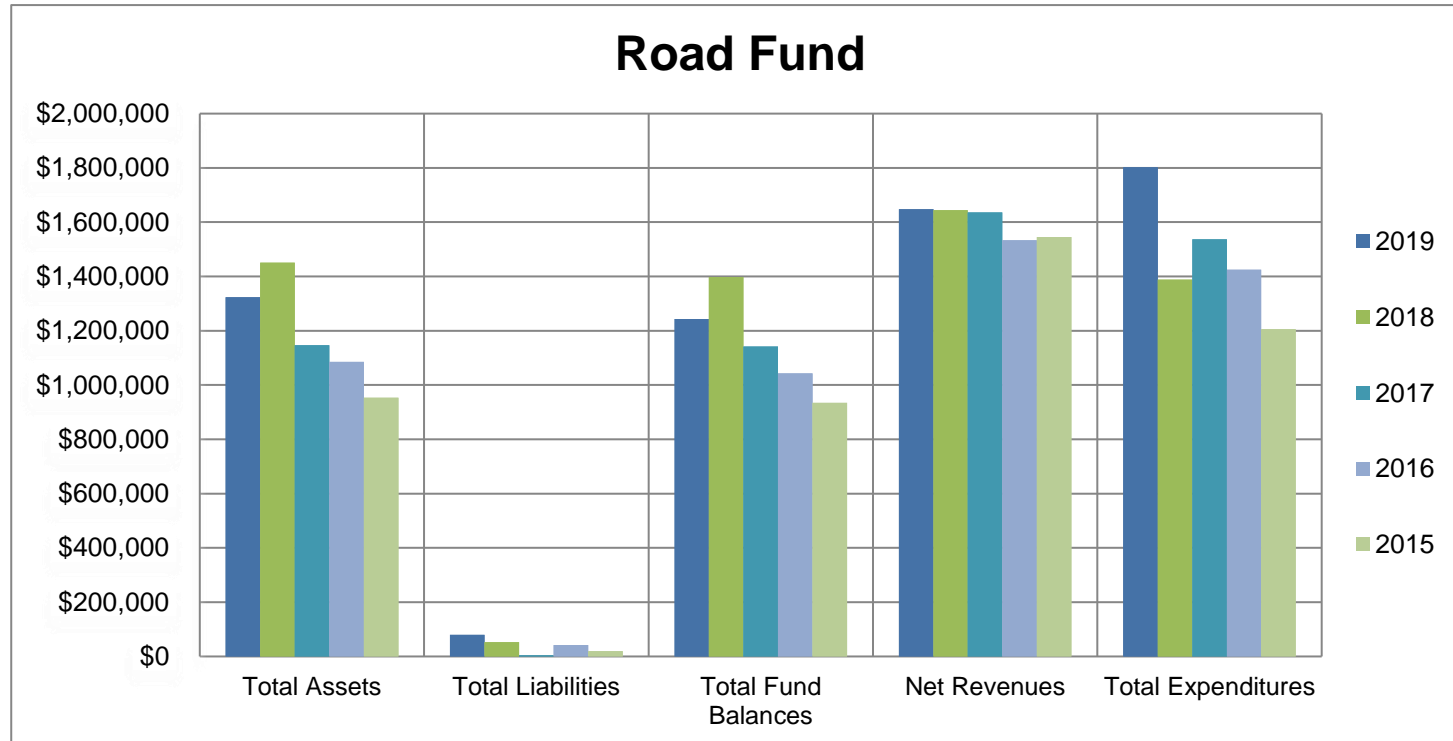
<u>General</u>	2019	2018	2017	2016	2015
Total Assets	\$ 701,418	\$ 561,832	\$ 634,526	\$ 732,580	\$ 515,128
Total Liabilities	86,201	88,167	85,113	139,524	97,723
Total Fund Balances	615,217	473,665	549,413	593,056	417,405
Net Revenues	1,723,338	1,733,882	1,708,574	1,779,253	1,880,421
Total Expenditures	1,581,459	1,809,630	1,752,217	1,603,602	1,467,202
Total Other Financing Sources/Uses	(327)				(343,062)



FULTON COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 3-2

<u>Road</u>	2019	2018	2017	2016	2015
Total Assets	\$ 1,322,880	\$ 1,450,587	\$ 1,146,787	\$ 1,085,025	\$ 953,732
Total Liabilities	79,661	53,027	4,700	42,249	19,560
Total Fund Balances	1,243,219	1,397,560	1,142,087	1,042,776	934,172
Net Revenues	1,647,383	1,643,651	1,635,816	1,533,203	1,544,586
Total Expenditures	1,801,724	1,388,178	1,536,505	1,424,599	1,205,840
Total Other Financing Sources/Uses					



FULTON COUNTY, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2019
 (UNAUDITED)

Schedule 3-3

<u>Other Funds in the Aggregate</u>	2019	2018	2017	2016	2015
Total Assets	\$ 1,474,878	\$ 1,464,671	\$ 1,712,271	\$ 1,695,234	\$ 1,718,355
Total Liabilities	419,575	399,776	757,564	757,303	812,140
Total Fund Balances	1,055,303	1,064,895	954,707	937,931	906,215
Net Revenues	2,086,574	1,717,980	1,684,894	1,670,664	1,744,758
Total Expenditures	1,571,919	1,069,776	1,133,573	1,112,443	1,607,255
Total Other Financing Sources/Uses	(524,247)	(538,016)	(534,545)	(526,505)	(178,109)

