

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

**December 31, 2008**

LEGISLATIVE JOINT AUDITING COMMITTEE

---



FAULKNER COUNTY, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2008

Independent Auditor's Report  
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*

REGULATORY BASIS FINANCIAL STATEMENTS

	<u>Exhibit</u>
Balance Sheet – Regulatory Basis	A
Statement of Revenues, Expenditures and Changes in Fund Balances – Regulatory Basis	B
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General and Road Funds – Regulatory Basis	C
Notes to Financial Statements	

SUPPORTING SCHEDULES

	<u>Schedule</u>
Combining Balance Sheet – Other Funds in the Aggregate – Regulatory Basis	1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Other Funds in the Aggregate – Regulatory Basis	2
Notes to Schedules 1 and 2	

SUPPLEMENTARY INFORMATION

Schedule of Capital Assets (Unaudited)	3
Schedule of Selected Information for the Last Five Years – Regulatory Basis (Unaudited)	4

**Sen. Bobby L. Glover**  
Senate Co-Chair  
**Rep. Johnny Hoyt**  
House Co-Chair  
**Sen. Bill Pritchard**  
Senate Co-Vice Chair  
**Rep. Beverly Pyle**  
House Co-Vice Chair

# Arkansas



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

## LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Faulkner County, Arkansas, as of and for the year ended December 31, 2008, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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

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

The Homeland Security, Lake Conway Sewer Project, Mayflower Water and Teen Court Funds have not been included in the County's regulatory basis financial statements. The regulatory basis as prescribed or permitted by Arkansas Code, requires the Homeland Security, Lake Conway Sewer Project, Mayflower Water and Teen Court Funds to be presented as part of the other funds in the aggregate, thus increasing the column's assets, liabilities, revenues, and expenditures. The amount by which this departure would affect the assets, liabilities, revenues, and expenditures of the other funds in the aggregate column is not reasonably determinable. The County's regulatory basis financial statements also do not disclose all the required information concerning deposit risks, which should be included in order to conform with the regulatory basis of accounting described in Note 1(C).

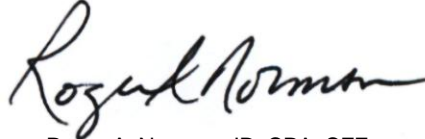
In our opinion, because of the effects on the financial statements of the omissions described in the preceding paragraph, the financial statements referred to above do not present fairly, in all material respects, the respective regulatory basis financial position of the other funds in the aggregate of Faulkner County, Arkansas, as of December 31, 2008, and the respective changes in the regulatory basis financial position for the year then ended on the basis of accounting as described in Note 1(C).

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2010 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

DIVISION OF LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Roger A. Norman". The signature is written in a cursive, flowing style.

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

Little Rock, Arkansas  
January 19, 2010  
LOCO02308

**Sen. Bobby L. Glover**  
Senate Co-Chair  
**Rep. Johnny Hoyt**  
House Co-Chair  
**Sen. Bill Pritchard**  
Senate Co-Vice Chair  
**Rep. Beverly Pyle**  
House Co-Vice Chair

# Arkansas



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

## LEGISLATIVE JOINT AUDITING COMMITTEE DIVISION OF LEGISLATIVE AUDIT

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

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

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Faulkner County, Arkansas, as of and for the year ended December 31, 2008 and have issued our report thereon dated January 19, 2010. We issued an adverse opinion because the County prepared the financial statements using accounting practices prescribed or permitted by Arkansas Code, which differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the basis of accounting described in Note 1(C), our opinions on the other funds in the aggregate was adverse because of the effects on the financial statements of not including the Homeland Security, Lake Conway Sewer Project, Mayflower Water and Teen Court Funds which are material to other funds in the aggregate, and our opinions on the general fund and road fund were qualified because required disclosures were not made concerning deposit risks. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Internal Control Over Financial Reporting

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

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

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

2008-1 To ensure the proper safeguarding of assets, financial accounting duties relating to initiating, receipting, depositing, disbursing, and recording cash transactions should be distributed among appropriate employees. The County officials, as specified in the Other Issues section of this report, did not segregate these duties to sufficiently reduce the risks of fraud or error and properly safeguard the County's assets, because of limited financial resources. We recommend that the financial accounting duties in each office be segregated among employees to the extent possible.

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

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

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

#### Compliance and Other Matters

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

The County's response to the findings identified in our audit is described above. We did not audit the County's response and, accordingly, we express no opinion on it.

#### Other Issues

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

The commentary contained in this section relates to the following officials that held office during 2008:

County Judge: Preston Scroggin  
Treasurer: Regina Oakley  
Sheriff: Karl Byrd  
Tax Collector: Steve Simon  
County Clerk: Melinda Reynolds  
Circuit Clerk: Rhonda Wharton  
Assessor: Jeff Stephens  
County Librarian: Ruth Voss

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

#### **County Judge**

1. As reported in the previous year, construction completed on the County Jail in the amount of \$7,074,065 was not included on the fixed asset list.
2. The County again did not have an adequate disaster recovery plan. This situation could cause the entity to be without computer processing for an extended period of time in the event of a disaster or major interruption and could also place a financial and personnel burden on the resources of the entity.

#### **Sheriff**

1. Arrest reports were prepared but did not include all information required by Ark. Code Ann. § 16-10-207.
2. The remaining bank balance in the Bond and Fine account of \$63,524 again was not identified with receipts issued but not yet entered on the arrest reports as required by Ark. Code Ann. § 16-10-207. Also, remaining bank balances in the Circuit and Fee accounts of \$205,593 and \$17,503, respectively, were not identified.
3. The Circuit Bond and Fine bank statements again were not reconciled in a timely manner as required by Ark. Code Ann. § 14-25-107.
4. The Sheriff's office again did not notify the Circuit Judge, in writing, of the fines and cost assessed but not collected in accordance with the Circuit Court order.
5. As previously reported, the Sheriff's office did not have a written disaster recovery or business continuity plan for computer processing. This situation could cause the entity to be without computer processing for an extended period of time in the event of a disaster or major interruption and could also place a financial and personnel burden on the resources of the entity.

### **Tax Collector**

Password controls did not meet minimum standards. Minimum number of characters required in passwords was below industry standards. Passwords were not required to be changed on a periodic, recurring basis not to exceed 90 days. User accounts were not locked out after three unsuccessful logon attempts. Passwords were not required to contain a mixture of alpha and numeric characters. Password history file was not maintained to prevent re-use of previous passwords. Failure to establish proper password controls increased the likelihood that an unauthorized person could have gained access to the system.

### **County Clerk**

1. The fee account cash receipts and disbursements journal again did not have monthly totals and disbursements again were not correctly classified as required by Ark. Code Ann. § 14-25-109.
2. Employee leave records were not properly updated resulting in 11 instances of employee leave time exceeding the maximum carryover allowed by the County leave policy. A similar finding was noted in the previous year.

### **Circuit Clerk**

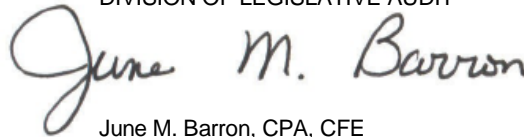
Password controls did not meet minimum standards. Minimum number of characters required in passwords was below industry standards. Passwords were not required to be changed on a periodic, recurring basis not to exceed 90 days. User accounts were not locked out after three unsuccessful logon attempts. Password history file was not maintained to prevent re-use of previous passwords. Failure to establish proper password controls increased the likelihood that an unauthorized person could have gained access to the system.

### **Assessor**

Password controls did not meet minimum standards. Minimum number of characters required in passwords was below industry standards. Passwords were not required to be changed on a periodic, recurring basis not to exceed 90 days. User accounts were not locked out after three unsuccessful logon attempts. Passwords were not required to contain mixture of alpha and numeric characters. Password history file was not maintained to prevent re-use of previous passwords. Failure to establish proper password controls increased the likelihood that an unauthorized person could have gained access to the system.

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

DIVISION OF LEGISLATIVE AUDIT



June M. Barron, CPA, CFE  
Deputy Legislative Auditor

Little Rock, Arkansas  
January 19, 2010  
LOCO02308

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

Exhibit A

	General	Road	Other Funds In The Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,176,473	\$ 2,479,682	\$ 14,336,096
Accounts receivable	836,563	269,633	978,902
Interfund receivables	40,650		
<b>TOTAL ASSETS</b>	<b>\$ 5,053,686</b>	<b>\$ 2,749,315</b>	<b>\$ 15,314,998</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 17,766	\$ 8,094	\$ 103,536
Interfund payables			40,650
Settlements pending			4,168,349
<b>Total Liabilities</b>	<b>17,766</b>	<b>8,094</b>	<b>4,312,535</b>
<b>Fund Balances:</b>			
Reserved (Note 8)	186,725	2,741,221	11,002,463
<b>Unreserved:</b>			
Undesignated	4,849,195		
<b>Total Fund Balances</b>	<b>5,035,920</b>	<b>2,741,221</b>	<b>11,002,463</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,053,686</b>	<b>\$ 2,749,315</b>	<b>\$ 15,314,998</b>

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



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

Exhibit B

	General	Road	Other Funds In The Aggregate
REVENUES			
State aid	\$ 1,539,685	\$ 2,182,909	\$ 593,870
Federal aid			282,826
Property taxes	5,004,150	1,902,037	1,249,422
Sales taxes			7,484,498
Fines, forfeitures and costs	1,126,806		228,001
Interest	58,261	55,527	157,891
Officers' fees	154,342		1,294,081
911 fees			464,844
Jail fees	1,410,352		128,679
Treasurer's commission	214,078		43,938
Collector's commission	429,840		80,000
Taxes apportioned - Assessor's salary and expense	1,079,897		
Other	809,677	470,992	304,818
 TOTAL REVENUES	 11,827,088	 4,611,465	 12,312,868
 Less: Treasurer's commission	 166,022	 78,348	 62,708
 NET REVENUES	 11,661,066	 4,533,117	 12,250,160
 EXPENDITURES			
Current:			
General government	4,423,462		1,114,930
Law enforcement	5,851,883		3,885,449
Highways and streets		4,612,586	2,680,573
Public safety	33,192		694,742
Health	115,953		
Recreation and culture	4,500		1,217,716
Social services	69,720		
Total Current	10,498,710	4,612,586	9,593,410

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

Exhibit B

	General	Road	Other Funds In The Aggregate
EXPENDITURES (CONTINUED)			
Debt Service:			
Principal - notes payable			\$ 196,219
Interest - notes payable			15,372
TOTAL EXPENDITURES	\$ 10,498,710	\$ 4,612,586	9,805,001
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,162,356	(79,469)	2,445,159
OTHER FINANCING SOURCES (USES)			
Transfers in	516,935		107,475
Transfers out	(33,527)	(414)	(590,469)
TOTAL OTHER FINANCING SOURCES (USES)	483,408	(414)	(482,994)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,645,764	(79,883)	1,962,165
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	3,055,105	2,710,219	8,478,411
Restatement adjustment	335,051	110,885	561,887
FUND BALANCES - JANUARY 1, AS RESTATED	3,390,156	2,821,104	9,040,298
FUND BALANCES - DECEMBER 31	\$ 5,035,920	\$ 2,741,221	\$ 11,002,463

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

FAULKNER COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2008

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 1,184,333	\$ 1,539,685	\$ 355,352	\$ 1,780,000	\$ 2,182,909	\$ 402,909
Property taxes	5,004,046	5,004,150	104	1,745,695	1,902,037	156,342
Fines, forfeitures and costs	855,093	1,126,806	271,713			
Interest	62,322	58,261	(4,061)	35,000	55,527	20,527
Officers' fees	169,994	154,342	(15,652)			
Jail fees	658,500	1,410,352	751,852			
Treasurer's commission	175,000	214,078	39,078			
Collector's commission	390,000	429,840	39,840			
Taxes apportioned - Assessor's salary and expense	895,000	1,079,897	184,897			
Other	464,651	809,677	345,026	20,243	470,992	450,749
<b>TOTAL REVENUES</b>	<b>9,858,939</b>	<b>11,827,088</b>	<b>1,968,149</b>	<b>3,580,938</b>	<b>4,611,465</b>	<b>1,030,527</b>
Less: Treasurer's commission		166,022	(166,022)		78,348	(78,348)
<b>NET REVENUES</b>	<b>9,858,939</b>	<b>11,661,066</b>	<b>1,802,127</b>	<b>3,580,938</b>	<b>4,533,117</b>	<b>952,179</b>
EXPENDITURES						
Current:						
General government	5,287,594	4,423,462	864,132			
Law enforcement	6,028,118	5,851,883	176,235			
Highways and streets				5,542,401	4,612,586	929,815
Public safety	245,203	33,192	212,011			
Health	115,953	115,953				
Recreation and culture	4,500	4,500				
Social services	69,834	69,720	114			
<b>TOTAL EXPENDITURES</b>	<b>11,751,202</b>	<b>10,498,710</b>	<b>1,252,492</b>	<b>5,542,401</b>	<b>4,612,586</b>	<b>929,815</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,892,263)</b>	<b>1,162,356</b>	<b>3,054,619</b>	<b>(1,961,463)</b>	<b>(79,469)</b>	<b>1,881,994</b>

FAULKNER COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2008

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ 616,992	\$ 516,935	\$ (100,057)			
Transfers out		(33,527)	(33,527)	\$ (414)		\$ (414)
TOTAL OTHER FINANCING SOURCES (USES)	616,992	483,408	(133,584)	(414)		(414)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,275,271)	1,645,764	2,921,035	\$ (1,961,463)	(79,883)	1,881,580
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	2,463,047	3,055,105	592,058	2,347,165	2,710,219	363,054
Restatement adjustment		335,051	335,051		110,885	110,885
FUND BALANCES - JANUARY 1, AS RESTATED	2,463,047	3,390,156	927,109	2,347,165	2,821,104	473,939
FUND BALANCES - DECEMBER 31	\$ 1,187,776	\$ 5,035,920	\$ 3,848,144	\$ 385,702	\$ 2,741,221	\$ 2,355,519

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

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

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

**A. Financial Reporting Entity**

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County. The following funds of the County are not presented in this report: Homeland Security, Lake Conway Sewer Project, Mayflower Water and Teen Court.

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

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

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

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

**General Fund** - The General Fund is the primary operating fund and is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund heading as it appears in the financial statements includes the following accounts: General, Tax Assessor's Late Assessment Fee, Rural Fire Protection, Commissary and Drug-Buy.

**Road Fund** - The Road Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for maintaining and constructing county roads.

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

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The following Special Revenue Funds are reported with other funds in the aggregate: County Recorder's Cost, Breathalyzer, Emergency Squad, County Library, Road Sales Tax, Public Defender, Homeland Security, Jail Fees, Juvenile Services (Act 1262 of 1995), 911, Treasurer's Automation, Jail Fines, Public Safety Answering Point, Victim/Witness, Child Support, Juvenile Probation Fees, Juvenile Jail Grant, Public Defender Investigator, Juvenile Court Representation, County Clerk's Cost, Collector's Automation, Museum, Wastewater Feasibility Study, Public Safety (Act 749 of 1983), Jail Booking, Communication Facility and Equipment, Animal Control, Wastewater Feasibility Matching, Federal Drug Forfeiture and Rural Broadband Grant.

**Capital Projects Funds** - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The following Capital Projects Funds are reported with other funds in the aggregate: Criminal Justice Sales Tax and Library Sales Tax.

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

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

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

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

Agency Funds - Agency Funds are used to account for assets held by the entity as an agent for individuals, private organizations, other governmental units, and other funds. The following Agency Funds are reported with other funds in the aggregate: Treasurer's Accounts (Treasurer's Commission, Collector Unapportioned, Delinquent Personal, Delinquent Real Estate, Soil Conservation, Assessor's Salary, Collector's Commission, Juvenile Services [Act 1262 of 1995], County General School, Law Library, Arkansas Forestry Commission, State Crime Lab, State Land Sale, Sex and Child Offender, Law School, School Accounts, City Accounts, Property Tax Relief, Improvement District Accounts, DNA Detection [Act 737 of 1997] and Drug Crime Assessment), Collector's Accounts (Current Tax, Delinquent Tax and Credit Card), Sheriff's Accounts (Fee, Bond and Fine, Circuit Bond and Commissary), County Clerk's Accounts (Fee and Trust), Circuit Clerk's Accounts (Fee, Trust and Child Support) and District Court Account (Juvenile).

**C. Basis of Accounting**

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

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

**Cash and Cash Equivalents**

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

**Settlements Pending**

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

**Fund Balance**

1. Reserved Fund Balance indicates that portion of fund balance that is not appropriable for expenditure or is legally segregated for a specific future use.
2. Undesignated Fund Balance indicates that portion of fund balance not reserved or designated.

**E. Property Taxes**

A lien attaches to the real property in January and on personal property in June of each year. Property taxes are collectible beginning the first business day of March of the subsequent year, but are not considered delinquent until after October 10.

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

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

**F. Budget Law**

1. Legal Requirements

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

2. Accounting

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

**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.

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

State law generally requires that county funds be deposited in federally insured banks located in the State of Arkansas. The County deposits may be in the form of checking accounts, savings accounts, and/or time deposits. Public funds may also be invested in direct obligations of the United States of America and obligations the principal and interest on which are fully guaranteed by the United States of America.

**NOTE 4: Accounts Receivable**

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 135,628	\$ 149,076	\$ 1,717
Jail fees	100,370		1,371
Property taxes	221,472	80,376	37,259
Sales taxes			615,394
Officers' fees	17,694		208,338
Fines, forfeitures and costs	88,759		1,275
Interest	1,114	3,637	14,544
Treasurer's Commission	20,875		
Collector's Commission	53,542		80,000
Assessor's Salary and Expense	83,807		
Other	113,301	36,544	19,004
<b>Totals</b>	<b>\$ 836,563</b>	<b>\$ 269,633</b>	<b>\$ 978,902</b>

**NOTE 5: Accounts Payable**

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

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 17,766	\$ 8,094	\$ 103,536

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

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2008	
	Interfund Receivables	Interfund Payables
General Fund	\$ 40,650	
Other Funds in the Aggregate:		
Communication Facility and Equipment		\$ 40,650
Totals	\$ 40,650	\$ 40,650

Interfund receivables and payables consist of errors in depositing restricted revenues. These balances were repaid in March 2009.

**NOTE 7: Legal Debt Limit**

A. Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to ten percent (10%) of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2008, the legal debt limit for bonded debt was \$117,945,163. There were no property tax secured bond issues.

B. Short-Term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to two and one half percent (2.5%) of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2008, the legal debt limit for short-term financing obligations was \$30,376,541. The amount of short-term financing obligations was \$203,781 leaving a legal debt margin of \$30,172,760.

**NOTE 8: Reserved Fund Balance**

Reserved fund balance consists of the following:

	December 31, 2008
<u>General</u>	
Tax Assessor's Late Assessment Fee	\$ 19,064
Commissary	150,770
Drug-Buy	16,891
Total General	\$ 186,725
<u>Road</u>	\$ 2,741,221
<u>Other Funds in the Aggregate</u>	
Special Revenue Funds:	
County Recorder's Cost	\$ 859,305
Breathalyzer	4,753
Emergency Squad	51,114
County Library	813,803
Road Sales Tax	4,771,817
Public Defender	54,293
Homeland Security	963



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

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

	December 31, 2008
<u>Other Funds in the Aggregate</u> (Continued)	
Special Revenue Funds: (Continued)	
Jail Fees	\$ 27,280
Juvenile Services (Act 1262 of 1995)	8,660
911	203,634
Treasurer's Automation	49,003
Jail Fines	269,726
Public Safety Answering Point	173,470
Victim/Witness	4,076
Child Support	55,943
Juvenile Probation Fees	75,491
Juvenile Jail Grant	26,698
Public Defender Investigator	91,127
Juvenile Court Representation	1,788
County Clerk's Cost	5,000
Collector's Automation	175,839
Museum	60,801
Wastewater Feasibility Study	31,287
Public Safety (Act 749 of 1983)	4,498
Jail Booking	21,322
Communication Facility and Equipment	272,666
Animal Control	315,060
Wastewater Feasibility Matching	15,463
Federal Drug Forfeiture	52,980
Rural Broadband Grant	170,233
Total Special Revenue	8,668,093
Capital Projects Funds:	
Criminal Justice Sales Tax	2,074,435
Library Sales Tax	259,935
Total Capital Projects	2,334,370
Total Other Funds in the Aggregate	\$ 11,002,463

**NOTE 9: Commitments**

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

	December 31, 2008
Long-Term Debt	\$ 203,781
Noncancellable Lease	4,091
Total Commitments	\$ 207,872

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

**NOTE 9: Commitments (Continued)**

Long-Term Debt

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

	<u>December 31, 2008</u>
Bank loan with First Security Bank executed April 10, 2007 for the purchase of 18 police cars. Term is two annual installments of \$211,591 including interest at 3.78%. Payments are to be made from the Criminal Justice Sales Tax Fund.	<u>\$ 203,781</u>

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

Compensated Absences

Compensated absences do vest or accumulate. The amount of compensated absences was not determined.

Debt Service Requirements to Maturity

The County is obligated for the following amount:

Year Ending December 31, 2008	Notes
2009	\$ 211,591
Less Interest	7,810
Total Principal	\$ 203,781

Noncancellable Lease

The County entered into a noncancellable lease agreement for a Xerox Copier on April 29, 2005. Terms of the lease are monthly rental payments of \$255 for 60 months. At the end of the lease term, the County will return the copier to the lessor. The County is obligated for the following amount for the next two years:

Year	December 31, 2008
2009	\$ 3,068
2010	1,023
Total	\$ 4,091

Rental expense for 2008 was \$3,068.

**NOTE 10: Interfund Transfers**

The General Fund transferred \$33,527 to the Other Funds in the Aggregate for grant matching funds and deposit corrections. The Road Fund transferred \$414 to the General Fund for deposit corrections. The Other Funds in the Aggregate transferred \$516,521 to the General Fund to defray administrative expenses. Additionally within the Other Funds in the Aggregate, the County transferred \$34,745 for reimbursement of expenses and \$39,203 for capital projects.

**NOTE 11: Prior Year Restatement**

The beginning fund balances for the General Fund, Road Fund and the Other Funds in the Aggregate were restated by \$335,051, \$110,885 and \$562,944, respectively, to reflect the net adjustment for the prior year accounts receivable and accounts payable. Also the beginning fund balance of the Other Funds in the Aggregate was decreased \$1,057 to reflect not including the Teen Court Fund in this report.

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

**NOTE 12: Joint Venture: Regional Library**

Faulkner and Van Buren Counties entered into an agreement in June 1978 in accordance with Ark. Code Ann. § 13-2-401 to establish the Faulkner - Van Buren Regional Library. The agreement states that the Regional Library shall employ a regional librarian approved by the Arkansas Library Commission to serve for such time and on such terms as the Board may prescribe and to be paid from the regional budget. The County Library did not pay any funds to the Regional Library in 2008. Separate financial statements of the Faulkner – Van Buren Regional Library are not available.

**NOTE 13: Risk Management**

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

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

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

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment by the program is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident and \$25,000 for property damage per accident. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.
- B. Physical Damage - This program covers vehicles (excluding mobile equipment) which are the property of the participating county. Property is valued at the full cost to repair or replace the property after deduction for depreciation. Loss amounts payable will be reduced by the deductible amount of \$500 per occurrence. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 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 \$2,000 of the aggregate cost for all expenses on each lawsuit.

The County also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$250,000 or the amount of the bond. Premiums for coverage are determined by the State Risk Manager and approved by the Board. These premiums are paid by the State Treasurer from funds withheld from the County Aid Fund. There is a \$1,000 deductible per occurrence.

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

**NOTE 14: Arkansas Public Employees Retirement System**

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to Arkansas Public Employees Retirement System, One Union National Plaza, 124 W. Capitol, Little Rock, Arkansas 72201 or by calling 1-800-682-7377.

Funding Policy

PERS has contributory and non-contributory plans. Contributory members are required by code to contribute 5% of their salary. Each participating employer is required by code to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation.

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

Schedule 1

SPECIAL REVENUE FUNDS

	County Recorder's Cost	Breathalyzer	Emergency Squad	County Library	Road Sales Tax	Public Defender	Homeland Security	Jail Fees	Juvenile Services (Act 1262 of 1995)
ASSETS									
Cash and cash equivalents	\$ 788,585	\$ 4,753	\$ 49,397	\$ 765,866	\$ 4,517,749	\$ 54,293	\$ 963	\$ 27,280	\$ 7,385
Accounts receivable	70,720		1,717	47,937	315,036				1,275
<b>TOTAL ASSETS</b>	<b>\$ 859,305</b>	<b>\$ 4,753</b>	<b>\$ 51,114</b>	<b>\$ 813,803</b>	<b>\$ 4,832,785</b>	<b>\$ 54,293</b>	<b>\$ 963</b>	<b>\$ 27,280</b>	<b>\$ 8,660</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable					\$ 60,968				
Interfund payables									
Settlements pending									
Total Liabilities					<u>60,968</u>				
Fund Balances:									
Reserved	\$ 859,305	\$ 4,753	\$ 51,114	\$ 813,803	4,771,817	\$ 54,293	\$ 963	\$ 27,280	\$ 8,660
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 859,305</b>	<b>\$ 4,753</b>	<b>\$ 51,114</b>	<b>\$ 813,803</b>	<b>\$ 4,832,785</b>	<b>\$ 54,293</b>	<b>\$ 963</b>	<b>\$ 27,280</b>	<b>\$ 8,660</b>

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

Schedule 1

SPECIAL REVENUE FUNDS

	911	Treasurer's Automation	Jail Fines	Public Safety Answering Point	Victim/ Witness	Child Support	Juvenile Probation Fees	Juvenile Jail Grant	Public Defender Investigator
ASSETS									
Cash and cash equivalents	\$ 171,600	\$ 49,003	\$ 259,195	\$ 149,485	\$ 4,076	\$ 55,805	\$ 69,058	\$ 5,915	\$ 91,127
Accounts receivable	32,034		10,531	23,985		138	6,433	20,783	
<b>TOTAL ASSETS</b>	<b>\$ 203,634</b>	<b>\$ 49,003</b>	<b>\$ 269,726</b>	<b>\$ 173,470</b>	<b>\$ 4,076</b>	<b>\$ 55,943</b>	<b>\$ 75,491</b>	<b>\$ 26,698</b>	<b>\$ 91,127</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									
Interfund payables									
Settlements pending									
Total Liabilities									
Fund Balances:									
Reserved	\$ 203,634	\$ 49,003	\$ 269,726	\$ 173,470	\$ 4,076	\$ 55,943	\$ 75,491	\$ 26,698	\$ 91,127
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 203,634</b>	<b>\$ 49,003</b>	<b>\$ 269,726</b>	<b>\$ 173,470</b>	<b>\$ 4,076</b>	<b>\$ 55,943</b>	<b>\$ 75,491</b>	<b>\$ 26,698</b>	<b>\$ 91,127</b>

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

Schedule 1

	SPECIAL REVENUE FUNDS								
	Juvenile Court Representation	County Clerk's Cost	Collector's Automation	Museum	Wastewater Feasibility Study	Public Safety (Act 749 of 1983)	Jail Booking	Communication Facility and Equipment	Animal Control
ASSETS									
Cash and cash equivalents	\$ 1,788	\$ 1,985	\$ 95,839	\$ 60,801	\$ 31,287	\$ 4,489	\$ 19,951	\$ 262,184	\$ 315,060
Accounts receivable		3,015	80,000			9	1,371	51,132	
<b>TOTAL ASSETS</b>	<b>\$ 1,788</b>	<b>\$ 5,000</b>	<b>\$ 175,839</b>	<b>\$ 60,801</b>	<b>\$ 31,287</b>	<b>\$ 4,498</b>	<b>\$ 21,322</b>	<b>\$ 313,316</b>	<b>\$ 315,060</b>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable									
Interfund payables								\$ 40,650	
Settlements pending								<u>40,650</u>	
Total Liabilities								<u>40,650</u>	
Fund Balances:									
Reserved	\$ 1,788	\$ 5,000	\$ 175,839	\$ 60,801	\$ 31,287	\$ 4,498	\$ 21,322	272,666	\$ 315,060
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,788</b>	<b>\$ 5,000</b>	<b>\$ 175,839</b>	<b>\$ 60,801</b>	<b>\$ 31,287</b>	<b>\$ 4,498</b>	<b>\$ 21,322</b>	<b>\$ 313,316</b>	<b>\$ 315,060</b>

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

Schedule 1

	<u>SPECIAL REVENUE FUNDS</u>			<u>CAPITAL PROJECTS FUNDS</u>	
	<u>Wastewater Feasibility Matching</u>	<u>Federal Drug Forfeiture</u>	<u>Rural Broadband Grant</u>	<u>Criminal Justice Sales Tax</u>	<u>Library Sales Tax</u>
ASSETS					
Cash and cash equivalents	\$ 15,463	\$ 52,980	\$ 170,233	\$ 1,805,331	\$ 258,821
Accounts receivable				311,672	1,114
TOTAL ASSETS	<u>\$ 15,463</u>	<u>\$ 52,980</u>	<u>\$ 170,233</u>	<u>\$ 2,117,003</u>	<u>\$ 259,935</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable				\$ 42,568	
Interfund payables					
Settlements pending					
Total Liabilities				<u>42,568</u>	
Fund Balances:					
Reserved	<u>\$ 15,463</u>	<u>\$ 52,980</u>	<u>\$ 170,233</u>	<u>2,074,435</u>	<u>\$ 259,935</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 15,463</u>	<u>\$ 52,980</u>	<u>\$ 170,233</u>	<u>\$ 2,117,003</u>	<u>\$ 259,935</u>



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

Schedule 1

	AGENCY FUNDS						Totals
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	District Court Account	
ASSETS							
Cash and cash equivalents	\$ 2,702,144	\$ 430,934	\$ 487,185	\$ 60,977	\$ 474,094	\$ 13,015	\$ 14,336,096
Accounts receivable							978,902
<b>TOTAL ASSETS</b>	<b>\$ 2,702,144</b>	<b>\$ 430,934</b>	<b>\$ 487,185</b>	<b>\$ 60,977</b>	<b>\$ 474,094</b>	<b>\$ 13,015</b>	<b>\$ 15,314,998</b>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable							\$ 103,536
Interfund payables							40,650
Settlements pending	\$ 2,702,144	\$ 430,934	\$ 487,185	\$ 60,977	\$ 474,094	\$ 13,015	4,168,349
Total Liabilities	<u>2,702,144</u>	<u>430,934</u>	<u>487,185</u>	<u>60,977</u>	<u>474,094</u>	<u>13,015</u>	<u>4,312,535</u>
Fund Balances:							
Reserved							<u>11,002,463</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,702,144</b>	<b>\$ 430,934</b>	<b>\$ 487,185</b>	<b>\$ 60,977</b>	<b>\$ 474,094</b>	<b>\$ 13,015</b>	<b>\$ 15,314,998</b>

FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

SPECIAL REVENUE FUNDS

	County Recorder's Cost	Breathalyzer	Emergency Squad	County Library	Road Sales Tax	Public Defender	Homeland Security	Jail Fees	Juvenile Services (Act 1262 of 1995)
REVENUES									
State aid			\$ 11,800	\$ 162,395		\$ 3,729			
Federal aid							\$ 189,582		
Property taxes			39,506	1,043,230					
Sales taxes					\$ 3,742,249				
Fines, forfeitures and costs						32,371		\$ 132,103	\$ 13,189
Interest	\$ 16,938	\$ 33	434	16,054	68,445	411	363	457	110
Officers' fees	886,080								
911 fees									
Jail fees									
Treasurer's commission									
Collector's commission									
Other	14,022	2	3,546	98,979		503		1,065	97
<b>TOTAL REVENUES</b>	<b>917,040</b>	<b>35</b>	<b>55,286</b>	<b>1,320,658</b>	<b>3,810,694</b>	<b>37,014</b>	<b>189,945</b>	<b>133,625</b>	<b>13,396</b>
Less: Treasurer's commission	17,707		1,046	22,805		610		2,579	238
<b>NET REVENUES</b>	<b>899,333</b>	<b>35</b>	<b>54,240</b>	<b>1,297,853</b>	<b>3,810,694</b>	<b>36,404</b>	<b>189,945</b>	<b>131,046</b>	<b>13,158</b>
EXPENDITURES									
Current:									
General government	722,315					32,001			
Law enforcement									
Highways and streets					2,680,573				
Public safety			61,681				87,090		
Recreation and culture				1,153,003					
Total Current	722,315		61,681	1,153,003	2,680,573	32,001	87,090		

FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

SPECIAL REVENUE FUNDS

	County Recorder's Cost	Breathalyzer	Emergency Squad	County Library	Road Sales Tax	Public Defender	Homeland Security	Jail Fees	Juvenile Services (Act 1262 of 1995)
EXPENDITURES (CONTINUED)									
Debt Service:									
Principal - notes payable									
Interest - notes payable									
TOTAL EXPENDITURES	\$ 722,315		\$ 61,681	\$ 1,153,003	\$ 2,680,573	\$ 32,001	\$ 87,090		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	177,018	\$ 35	(7,441)	144,850	1,130,121	4,403	102,855	\$ 131,046	\$ 13,158
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out	(203,174)					(387)		(125,000)	(15,000)
TOTAL OTHER FINANCING SOURCES (USES)	(203,174)					(387)		(125,000)	(15,000)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(26,156)	35	(7,441)	144,850	1,130,121	4,016	102,855	6,046	(1,842)
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	824,045	4,718	57,118	671,631	3,439,779	50,277	85	21,234	10,502
Restatement adjustment	61,416		1,437	(2,678)	201,917		(101,977)		
FUND BALANCES - JANUARY 1, AS RESTATED	885,461	4,718	58,555	668,953	3,641,696	50,277	(101,892)	21,234	10,502
FUND BALANCES - DECEMBER 31	\$ 859,305	\$ 4,753	\$ 51,114	\$ 813,803	\$ 4,771,817	\$ 54,293	\$ 963	\$ 27,280	\$ 8,660

FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

SPECIAL REVENUE FUNDS

	911	Treasurer's Automation	Jail Fines	Public Safety Answering Point	Victim/ Witness	Child Support	Juvenile Probation Fees	Juvenile Jail Grant	Public Defender Investigator
REVENUES									
State aid								\$ 20,783	
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures and costs					\$ 23,148				\$ 10,703
Interest	\$ 2,154	\$ 456	\$ 2,344	\$ 924	120	\$ 445	\$ 711	212	\$ 650
Officers' fees						15,219	84,488		
911 fees	383,333			81,511					
Jail fees			128,679						
Treasurer's commission		43,938							
Collector's commission									
Other	7,310		745	5,542	173	144	4,573		88
<b>TOTAL REVENUES</b>	<b>392,797</b>	<b>44,394</b>	<b>131,768</b>	<b>87,977</b>	<b>23,441</b>	<b>15,808</b>	<b>89,772</b>	<b>20,995</b>	<b>11,441</b>
Less: Treasurer's commission	7,676		2,492	679	424	306	1,638		214
<b>NET REVENUES</b>	<b>385,121</b>	<b>44,394</b>	<b>129,276</b>	<b>87,298</b>	<b>23,017</b>	<b>15,502</b>	<b>88,134</b>	<b>20,995</b>	<b>11,227</b>
EXPENDITURES									
Current:									
General government		49,605							
Law enforcement					46,041	8,580	125,378		
Highways and streets									
Public safety	535,336			10,635					
Recreation and culture									
Total Current	535,336	49,605		10,635	46,041	8,580	125,378		

FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

SPECIAL REVENUE FUNDS

	911	Treasurer's Automation	Jail Fines	Public Safety Answering Point	Victim/ Witness	Child Support	Juvenile Probation Fees	Juvenile Jail Grant	Public Defender Investigator
EXPENDITURES (CONTINUED)									
Debt Service:									
Principal - notes payable									
Interest - notes payable									
TOTAL EXPENDITURES	\$ 535,336	\$ 49,605		\$ 10,635	\$ 46,041	\$ 8,580	\$ 125,378		
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(150,215)	(5,211)	\$ 129,276	76,663	(23,024)	6,922	(37,244)	\$ 20,995	\$ 11,227
OTHER FINANCING SOURCES (USES)									
Transfers in					11,309		30,245		
Transfers out			(139,203)			(3,628)	(1,004)	(27,679)	(4,500)
TOTAL OTHER FINANCING SOURCES (USES)			(139,203)		11,309	(3,628)	29,241	(27,679)	(4,500)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(150,215)	(5,211)	(9,927)	76,663	(11,715)	3,294	(8,003)	(6,684)	6,727
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	321,311	54,214	273,209	57,719	15,791	52,397	79,641	33,382	84,400
Restatement adjustment	32,538		6,444	39,088		252	3,853		
FUND BALANCES - JANUARY 1, AS RESTATED	353,849	54,214	279,653	96,807	15,791	52,649	83,494	33,382	84,400
FUND BALANCES - DECEMBER 31	\$ 203,634	\$ 49,003	\$ 269,726	\$ 173,470	\$ 4,076	\$ 55,943	\$ 75,491	\$ 26,698	\$ 91,127

FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

SPECIAL REVENUE FUNDS									
	Juvenile Court Representation	County Clerk's Cost	Collector's Automation	Museum	Wastewater Feasibility Study	Public Safety (Act 749 of 1983)	Jail Booking	Communication Facility and Equipment	Animal Control
REVENUES									
State aid				\$ 12,476	\$ 100,000				
Federal aid									
Property taxes				65,757					\$ 100,929
Sales taxes									
Fines, forfeitures and costs						\$ 564	\$ 15,923		
Interest	\$ 13	\$ 130	\$ 1,023	521	620	31	99	\$ 609	2,056
Officers' fees		38,579						206,916	
911 fees									
Jail fees									
Treasurer's commission			80,000						
Collector's commission				1,104					
Other		374				6	41	40,715	941
<b>TOTAL REVENUES</b>	<b>13</b>	<b>39,083</b>	<b>81,023</b>	<b>79,858</b>	<b>100,620</b>	<b>601</b>	<b>16,063</b>	<b>248,240</b>	<b>103,926</b>
Less: Treasurer's commission		776		1,269		11	305		1,933
<b>NET REVENUES</b>	<b>13</b>	<b>38,307</b>	<b>81,023</b>	<b>78,589</b>	<b>100,620</b>	<b>590</b>	<b>15,758</b>	<b>248,240</b>	<b>101,993</b>
EXPENDITURES									
Current:									
General government		47,267	70,873		69,333				
Law enforcement								123,044	
Highways and streets									
Public safety									
Recreation and culture				64,713					
Total Current		47,267	70,873	64,713	69,333			123,044	

FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

	SPECIAL REVENUE FUNDS								
	Juvenile Court Representation	County Clerk's Cost	Collector's Automation	Museum	Wastewater Feasibility Study	Public Safety (Act 749 of 1983)	Jail Booking	Communication Facility and Equipment	Animal Control
EXPENDITURES (CONTINUED)									
Debt Service:									
Principal - notes payable									
Interest - notes payable									
TOTAL EXPENDITURES		\$ 47,267	\$ 70,873	\$ 64,713	\$ 69,333			\$ 123,044	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 13	(8,960)	10,150	13,876	31,287	\$ 590	\$ 15,758	125,196	\$ 101,993
OTHER FINANCING SOURCES (USES)									
Transfers in									
Transfers out								(40,650)	
TOTAL OTHER FINANCING SOURCES (USES)								(40,650)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	13	(8,960)	10,150	13,876	31,287	590	15,758	84,546	101,993
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	1,775	10,703	165,689	46,925	0	3,890	4,844	159,466	213,067
Restatement adjustment		3,257				18	720	28,654	
FUND BALANCES - JANUARY 1, AS RESTATED	1,775	13,960	165,689	46,925	0	3,908	5,564	188,120	213,067
FUND BALANCES - DECEMBER 31	\$ 1,788	\$ 5,000	\$ 175,839	\$ 60,801	\$ 31,287	\$ 4,498	\$ 21,322	\$ 272,666	\$ 315,060

FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS		Totals
	Wastewater Feasibility Matching	Federal Drug Forfeiture	Rural Broadband Grant	Teen Court	Criminal Justice Sales Tax	Library Sales Tax	
REVENUES							
State aid	\$ 24,500		\$ 258,187				\$ 593,870
Federal aid					\$ 93,244		282,826
Property taxes							1,249,422
Sales taxes					3,742,249		7,484,498
Fines, forfeitures and costs							228,001
Interest	130	\$ 181	915		32,852	\$ 7,450	157,891
Officers' fees		62,799					1,294,081
911 fees							464,844
Jail fees							128,679
Treasurer's commission							43,938
Collector's commission							80,000
Other					124,848		304,818
<b>TOTAL REVENUES</b>	<b>24,630</b>	<b>62,980</b>	<b>259,102</b>		<b>3,993,193</b>	<b>7,450</b>	<b>12,312,868</b>
Less: Treasurer's commission							62,708
<b>NET REVENUES</b>	<b>24,630</b>	<b>62,980</b>	<b>259,102</b>		<b>3,993,193</b>	<b>7,450</b>	<b>12,250,160</b>
EXPENDITURES							
Current:							
General government	34,667		88,869				1,114,930
Law enforcement		10,000			3,572,406		3,885,449
Highways and streets							2,680,573
Public safety							694,742
Recreation and culture							1,217,716
<b>Total Current</b>	<b>34,667</b>	<b>10,000</b>	<b>88,869</b>		<b>3,572,406</b>		<b>9,593,410</b>



FAULKNER COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2008

Schedule 2

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS		Totals
	Wastewater Feasibility Matching	Federal Drug Forfeiture	Rural Broadband Grant	Teen Court	Criminal Justice Sales Tax	Library Sales Tax	
EXPENDITURES (CONTINUED)							
Debt Service:							
Principal - notes payable					\$ 196,219		\$ 196,219
Interest - notes payable					15,372		15,372
TOTAL EXPENDITURES	<u>\$ 34,667</u>	<u>\$ 10,000</u>	<u>\$ 88,869</u>		<u>3,783,997</u>		<u>9,805,001</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(10,037)</u>	<u>52,980</u>	<u>170,233</u>		<u>209,196</u>	<u>\$ 7,450</u>	<u>2,445,159</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	25,500				40,421		107,475
Transfers out					<u>(30,244)</u>		<u>(590,469)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>25,500</u>				<u>10,177</u>		<u>(482,994)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>15,463</u>	<u>52,980</u>	<u>170,233</u>		<u>219,373</u>	<u>7,450</u>	<u>1,962,165</u>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	0	0	0	\$ 1,057	1,567,855	251,687	8,478,411
Restatement adjustment				<u>(1,057)</u>	<u>287,207</u>	<u>798</u>	<u>561,887</u>
FUND BALANCES - JANUARY 1, AS RESTATED	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,855,062</u>	<u>252,485</u>	<u>9,040,298</u>
FUND BALANCES - DECEMBER 31	<u>\$ 15,463</u>	<u>\$ 52,980</u>	<u>\$ 170,233</u>	<u>\$ 0</u>	<u>\$ 2,074,435</u>	<u>\$ 259,935</u>	<u>\$ 11,002,463</u>

FAULKNER COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 FOR THE YEAR ENDED DECEMBER 31, 2008

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

<u>Fund Name</u>	<u>Fund Description</u>
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by circuit clerks to be used for automated record systems and any legitimate county purpose.
Breathalyzer	Ark. Code Ann. § 16-10-308 established fund to receive revenues generated from court costs to be used to maintain and purchase alcohol testing devices.
Emergency Squad	Ordinance no. 77-23 established fund to provide emergency services to the County.
County Library	Ark. Code Ann. § 13-2-404 established fund to account for Library property tax millage levied by the Quorum Court.
Road Sales Tax	Ordinance nos. 99-24 and 99-25 established fund to receive road sales tax to be used to construct and maintain roads in the County.
Public Defender	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used for defense of indigents.
Homeland Security	Grants received from Arkansas Department of Emergency Management for the purpose of purchasing equipment.
Jail Fees	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$5. Funds shall be used exclusively to defray the cost of incarcerating county prisoners, including construction and maintenance of the county jail.
Juvenile Services (Act 1262 of 1995)	Ark. Code Ann. § 9-27-306 established fund to receive Circuit Court costs to be used for juvenile services.
911	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of Treasurer's gross commissions to operate the Treasurer's office and to purchase, maintain and operate an automated record keeping system.
Jail Fines	Ordinance no. 03-14 established fund to help defray the expense of incarcerating prisoners in the county jail.
Public Safety Answering Point	Ark. Code Ann. § 12-10-305 to be used to provide an answering system for emergency calls.
Victim/Witness	Ark. Code Ann. § 16-21-151 established fund to receive District Court cost levied to be used by Prosecuting Attorney for operating victim/witness program.
Child Support	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the Clerk's office.

FAULKNER COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 FOR THE YEAR ENDED DECEMBER 31, 2008

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

<u>Fund Name</u>	<u>Fund Description</u>
Juvenile Probation Fees	Ark. Code Ann. § 16-13-326 established fund to receive probation fees to be used to offset related expenses.
Juvenile Jail Grant	State grant for Juvenile incarceration.
Public Defender Investigator	Ordinance nos. 92-06 and 92-07 established fund to receive court cost to assist in the defense of an indigent.
Juvenile Court Representation	Ark. Code Ann. § 9-27-326 established fund to collect fees and costs to offset expenses of juvenile cases.
County Clerk's Cost	Ark. Code Ann. § 21-6-306 established fund to receive fees collected by county clerks to be used for automated record systems and any legitimate county purpose.
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.
Museum	Ordinance no. 01-11 established fund to receive voluntary millage to support the county museum.
Wastewater Feasibility Study	Ordinance no. 08-09 established fund for State Grant for wastewater feasibility study.
Public Safety (Act 749 of 1983)	Ark. Code Ann. § 27-34-108 established fund to receive court costs to be used for the promotion of public safety.
Jail Booking	Ark. Code Ann. § 12-41-505 established fund to receive revenues from booking fees to be used for police equipment.
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.
Animal Control	Ordinance no. 05-11 established fund to be used for animal control.
Wastewater Feasibility Matching	Ordinance no. 08-09 established fund for matching portion of wastewater feasibility study.
Federal Drug Forfeiture	Fund established to receive federal drug seizure cases.
Rural Broadband Grant	Ordinance no. 08-22 established fund for State Grant for County Multi Activity Project to connect Arkansas to broadband.
Criminal Justice Sales Tax	Ordinance nos. 99-24 and 99-25 established fund to receive sales tax to be used for criminal justice purposes.

FAULKNER COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
FOR THE YEAR ENDED DECEMBER 31, 2008

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

<u>Fund Name</u>	<u>Fund Description</u>
Library Sales Tax	Ordinance no. 92-01 established fund to receive sales tax to be used for library purposes.

Treasurer's accounts consist primarily of property taxes, commissions and interest not yet distributed to the appropriate entities.  
Collector's accounts consist primarily of taxes not yet distributed to the various taxing units.  
Sheriff's accounts consist primarily of inmate trust monies, agency and officer fees not yet distributed to the appropriate entities.  
County/Circuit Clerk's accounts consist primarily of trust money awaiting disposition by the applicable court and settlements due the county and/or state.  
District Court account consists primarily of juvenile fines and costs not yet distributed to the County and/or State.

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

Schedule 3

		December 31, 2008
A.	General Fixed Assets	
	Land and Buildings	\$ 7,749,189
	Equipment	<u>10,415,145</u>
	Total	<u>18,164,334</u>
B.	Fixed Assets - Library	
	Land and Buildings	4,033,744
	Equipment	<u>224,505</u>
	Total	<u>4,258,249</u>
C.	Fixed Assets - Museum	
	Land and Buildings	105,000
	Equipment	<u>13,537</u>
	Total	<u>118,537</u>
	TOTAL	<u><u>\$22,541,120</u></u>

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

Schedule 4

<b><u>General</u></b>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Total Assets	\$ 5,053,686	\$ 3,055,105	\$ 2,692,248	\$ 2,274,022	\$ 2,435,777
Total Liabilities	17,766				
Total Fund Balances	5,035,920	3,055,105	2,692,248	2,274,022	2,435,777
Net Revenues	11,661,066	9,377,979	8,673,775	7,776,913	7,316,059
Total Expenditures	10,498,710	9,194,674	8,432,929	8,087,965	7,813,169
<b><u>Road</u></b>					
Total Assets	\$ 2,749,315	\$ 2,710,219	\$ 2,962,471	\$ 2,949,403	\$ 3,375,734
Total Liabilities	8,094				
Total Fund Balances	2,741,221	2,710,219	2,962,471	2,949,403	3,375,734
Net Revenues	4,533,117	4,365,689	3,718,266	3,593,251	3,361,440
Total Expenditures	4,612,586	4,617,941	3,705,198	4,019,582	2,932,432
<b><u>Other Funds in the Aggregate</u></b>					
Total Assets	\$ 15,314,998	\$ 13,194,737	\$ 9,785,150	\$ 10,742,279	\$ 13,167,316
Total Liabilities	4,312,535	4,716,326	3,278,907	3,774,154	2,587,816
Total Fund Balances	11,002,463	8,478,411	6,506,243	6,968,125	10,579,500
Net Revenues	12,250,160	10,503,320	9,657,345	8,728,307	10,306,399
Total Expenditures	9,805,001	8,751,600	9,941,846	12,158,466	9,473,381

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