

# **City of Beebe, Arkansas**

## **Regulatory Basis Financial Statements and Other Reports**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF BEEBE, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

Independent Auditor's Report  
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*  
Management Letter

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 Street Funds – Regulatory Basis	C
Notes to Financial Statements	

SUPPLEMENTARY INFORMATION

	<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	

OTHER INFORMATION

Schedule of Capital Assets (Unaudited)	3
Schedule of Selected Information for the Last Five Years – General Fund - Regulatory Basis (Unaudited)	4-1
Schedule of Selected Information for the Last Five Years – Street Fund - Regulatory Basis (Unaudited)	4-2
Schedule of Selected Information for the Last Five Years – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	4-3



**Sen. David Wallace**  
Senate Chair  
**Sen. John Payton**  
Senate Vice Chair

**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

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

## **LEGISLATIVE JOINT AUDITING COMMITTEE** **ARKANSAS LEGISLATIVE AUDIT**

Independent Auditor's Report

City of Beebe, Arkansas Officials and Council Members  
Legislative Joint Auditing Committee

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the regulatory basis financial statements of the City of Beebe, Arkansas (City), which are comprised of the Balance Sheet – Regulatory Basis for the general fund, street fund, and other funds in the aggregate as of December 31, 2022, and the related Statements of Revenues, Expenses, and Changes in Fund Balances and Budget and Actual – General and Street Funds – Regulatory Basis for the year then ended, and the related notes to the financial statements.

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

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, street fund, and other funds in the aggregate of the City of Beebe, Arkansas as of December 31, 2022; the regulatory basis revenues, expenditures, and changes in net position; and the budgetary comparisons for the general fund and street fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

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

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying regulatory basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the general fund, street fund, and other funds in the aggregate of the City of Beebe, Arkansas, as of December 31, 2022, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1 of the financial statements, the financial statements are prepared by the City on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements permitted by the State of Arkansas.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the City would have included another fund under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. However, under the regulatory basis, this fund is not required to be included as part of the reporting entity. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements as a whole. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information listed in the table of contents is fairly stated in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

### ***Other Information***

Management is responsible for the other information included in the report. The other information is comprised of the schedules listed in the table of contents but does not include the regulatory basis financial statements, supplemental information, and our auditor's reports thereon. Our opinions on the regulatory basis financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the regulatory basis financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



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

Little Rock, Arkansas  
November 14, 2023  
LOM100822

# Arkansas

**Sen. David Wallace**  
Senate Chair  
**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

### Independent Auditor's Report

City of Beebe, Arkansas Officials and Council Members  
Legislative Joint Auditing Committee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the general fund, street fund, and other funds in the aggregate of City of Beebe, Arkansas (City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's regulatory basis financial statements, and have issued our report thereon dated November 14, 2023. We issued an adverse opinion because the financial statements are prepared by the City on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, street fund, and other funds in the aggregate were unmodified.

### Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### Report on Compliance and Other Matters

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

We also reported to management of the City in a separate letter dated November 14, 2023.

**Purpose of This Report**

The purpose of this report is solely to described the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record, and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in dark ink, appearing to read "Timothy R. Jones", written in a cursive style.

Timothy R. Jones, CPA, CFF  
Deputy Legislative Auditor

Little Rock, Arkansas  
November 14, 2023



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

## **LEGISLATIVE JOINT AUDITING COMMITTEE** **ARKANSAS LEGISLATIVE AUDIT**

### **MANAGEMENT LETTER**

City of Beebe, Arkansas Officials and Council Members  
Legislative Joint Auditing Committee

The commentary contained in this letter relates to the following officials who held office during 2022:

Mayor: Mike Robertson  
Recorder/Treasurer: Carol Westergren  
District Court Clerk: Jennifer Latture  
Police Chief: Wayne Ballew  
Parks Director: Justin Thomas

We would like to communicate the following items that came to our attention during this audit. The purpose of such comments is to provide constructive feedback and guidance, in an effort to assist management in maintaining a satisfactory level of compliance with the state constitution, laws and regulations, and to improve internal control. These matters were discussed previously with City officials during the course of our audit fieldwork and at the exit conference.

#### **Mayor / Parks Director**

The City discovered, and we verified, the following improper disbursements in the Beebe Parks Department totaling \$10,787:

- \$9,930 paid for uniforms to a company owned by the Parks Director without an authorizing ordinance, as required by Ark. Code Ann. § 14-42-107. It should be noted that the Parks Director did not disclose to the City that he owned the company.
- \$637 in purchases, without a documented business purpose.
- \$220 in equipment located at the Parks Director's home.

The Parks Director's employment was terminated on April 20, 2023; criminal charges were filed; and a court date is pending.

#### **District Court Clerk**

During our review of the Beebe District Court, we noted the following in noncompliance with Ark. Code Ann. § 16-10-209:

- The cash disbursements journal did not list the proper amount, date, check number, payee, or classification for numerous disbursements.
- Bond refund checks did not indicate the docket number for authorization.
- The receipts and disbursements journals were not properly maintained and reconciled to bank deposits and withdrawals.

Additionally, an overpayment of \$90 was made on one bond refund tested.



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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Timothy R. Jones".

Timothy R. Jones, CPA, CFF  
Deputy Legislative Auditor

Little Rock, Arkansas  
November 14, 2023

CITY OF BEEBE, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2022

Exhibit A

	General	Street	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 3,526,028	\$ 418,120	\$ 1,489,594
Accounts receivable	571,001		23,249
Interfund receivables	324		
	<u>4,097,353</u>	<u>418,120</u>	<u>1,512,843</u>
TOTAL ASSETS	<u>\$ 4,097,353</u>	<u>\$ 418,120</u>	<u>\$ 1,512,843</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 179,368	\$ 19,754	\$ 241,674
Interfund payables			324
Settlements pending			180,377
Total Liabilities	<u>179,368</u>	<u>19,754</u>	<u>422,375</u>
Fund Balances:			
Restricted		210,206	1,090,468
Assigned	332,822	188,160	
Unassigned	3,585,163		
Total Fund Balances	<u>3,917,985</u>	<u>398,366</u>	<u>1,090,468</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,097,353</u>	<u>\$ 418,120</u>	<u>\$ 1,512,843</u>

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

CITY OF BEEBE, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

Exhibit B

	General	Street	Other Funds in the Aggregate
REVENUES			
State aid	\$ 333,551	\$ 728,422	\$ 54,435
Federal aid			846,122
Property taxes	156,107	51,889	
Franchise fees	403,127		
Sales taxes	4,368,578		
Fines, forfeitures, and costs	458,508		38,702
Interest	3,087	290	3,128
Local permits and fees	128,219		31,567
Sanitation fees	1,019,866		
Donations			3,432
Net increase/(decrease) in fair value of investments			108
Other	361,132	4,951	525
TOTAL REVENUES	7,232,175	785,552	978,019
EXPENDITURES			
Current:			
General government	945,624		28,809
Law enforcement	2,969,580		179,450
Highways and streets	403	575,346	994,441
Public safety	643,505		304,302
Sanitation	1,066,357		
Recreation and culture	402,117		8,073
Cemetery	29,820		
TOTAL EXPENDITURES	6,057,406	575,346	1,515,075
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,174,769	210,206	(537,056)
OTHER FINANCING SOURCES (USES)			
Contribution to water department			(1,475)
Contributions from County			231,145
TOTAL OTHER FINANCING SOURCES (USES)			229,670
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,174,769	210,206	(307,386)
FUND BALANCES - JANUARY 1	2,743,216	188,160	1,397,854
FUND BALANCES - DECEMBER 31	\$ 3,917,985	\$ 398,366	\$ 1,090,468

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

CITY OF BEEBE, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2022

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 125,901	\$ 333,551	\$ 207,650	\$ 728,422	\$ 728,422	\$ 0
Federal aid	846,122		(846,122)			
Property taxes	172,848	156,107	(16,741)	57,464	51,889	(5,575)
Franchise fees		403,127	403,127			
Sales taxes	4,255,287	4,368,578	113,291	41,464		(41,464)
Fines, forfeitures, and costs	638,062	458,508	(179,554)			
Interest	3,239	3,087	(152)	290	290	0
Local permits and fees	436,658	128,219	(308,439)			
Sanitation fees	1,139,483	1,019,866	(119,617)			
Other	746,835	361,132	(385,703)	112,601	4,951	(107,650)
TOTAL REVENUES	8,364,435	7,232,175	(1,132,260)	940,241	785,552	(154,689)
EXPENDITURES						
Current:						
General government	2,001,110	945,624	1,055,486			
Law enforcement	3,120,353	2,969,580	150,773			
Highways and streets		403	(403)	977,479	575,346	402,133
Public safety	678,810	643,505	35,305			
Sanitation	974,525	1,066,357	(91,832)			
Recreation and culture	441,129	402,117	39,012			
Cemetery	29,820	29,820	0			
TOTAL EXPENDITURES	7,245,747	6,057,406	1,188,341	977,479	575,346	402,133
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,118,688	1,174,769	56,081	(37,238)	210,206	247,444
OTHER FINANCING SOURCES (USES)						
Transfers in	437,545		(437,545)	400,450		(400,450)
Transfers out	(286,744)		286,744	(51,629)		51,629
TOTAL OTHER FINANCING SOURCES (USES)	150,801		(150,801)	348,821		(348,821)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,269,489	1,174,769	(94,720)	311,583	210,206	(101,377)
FUND BALANCES - JANUARY 1	1,856,931	2,743,216	886,285	187,561	188,160	599
FUND BALANCES - DECEMBER 31	\$ 3,126,420	\$ 3,917,985	\$ 791,565	\$ 499,144	\$ 398,366	\$ (100,778)

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

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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

**A. Financial Reporting Entity**

The City of Beebe was incorporated under the laws of the State of Arkansas and operates under an elected Mayor-Council form of government. The reporting entity includes all funds of the City. Under accounting principles generally accepted in the United States of America (GAAP) as established by the *Government Accounting Standards Board*, the following fund of the City would have been included in the reporting entity: Water and Sewer Department. However, under Arkansas's regulatory basis described below, inclusion of this fund is not required and this fund is not included in this report.

**B. 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 street 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 the actual expenditures for the general and street 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.

**Street Fund** - The Street 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 Street Fund accounts for and reports the proceeds of state highway turnback and property taxes that are restricted or committed for maintaining and constructing highways and streets.

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

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

**Pension Trust Funds** - Pension Trust Funds are used to report resources that are required to be held in trust for the members and beneficiaries of pension plans. See Schedule 2 for the Pension Trust Fund reported with other funds in the aggregate

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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

**B. Basis of Presentation – Regulatory (Continued)**

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

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

**C. 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. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. However, most state aid received from the State Treasury is by state law revenue of the year in which it was received by the government. Expenditures generally are recorded when a liability is incurred. Liabilities incurred by the government on or before the end of the current period that are paid within 60 days of the end of the current period, are considered to be expenditures of the current period. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements. Pension trust funds are reported in a separate column as a part of supplementary information in order to provide users 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.

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

**Cash and Cash Equivalents**

For the purpose of financial reporting, “cash and cash equivalents” includes all demand, savings, and money market accounts, and certificates of deposit..

**Settlements Pending**

Settlements pending are considered fines, forfeitures, and costs, 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 City Council’s intent to be used for specific purposes, but are neither restricted nor committed.

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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

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

Fund Balance Classifications (Continued)

3. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**E. Property Taxes**

A lien attaches to the real property in January and on personal property in June of each year. Property taxes are collectible beginning the first business day of March of the subsequent year, but are not considered delinquent until after October 15. Property taxes reflected as revenues on the financial statements include the property tax relief distribution made by the State of Arkansas. The purpose of this distribution is to reimburse the municipality for property tax credits in accordance with Arkansas Code.

**F. Budget Law**

State law requires that these procedures be followed in establishing the budgetary data:

- a. Prior to December 1, the Mayor submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. The proposed budget is discussed at a City Council meeting prior to adoption.
- c. Prior to February 1, the budget is legally enacted by ordinance or resolution of the City Council.
- d. Appropriations lapse at the end of each year.
- e. Under certain conditions, the budget may be amended subsequent to the year-end.

The budgeted revenues and expenditures represent the formal operating budget adopted by the City Council, as amended by the Council during the year.

Basis of Accounting

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

**G. Fund Balance Classification Policies and Procedures**

The Municipality's highest level of decision-making authority is its City Council. 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 City Council through passage of an ordinance. The City Council is authorized to assign amounts to a specific purpose, although a formal policy has not been established.

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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

**G. Fund Balance Classification Policies and Procedures (Continued)**

The Municipality does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The Municipality does not have a policy addressing which resources to use within the unrestricted fund balance when committed, assigned, or unassigned fund balances are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

There were no committed fund balances at year end.

**NOTE 2: Cash Deposits with Financial Institutions**

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

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 1,059,100	\$ 1,094,797
Collateralized:		
Collateral held by the City's agent, pledging bank or pledging bank's trust department or agent in the City's name	4,370,905	4,490,998
Total Deposits	<u>\$ 5,430,005</u>	<u>\$ 5,585,795</u>

The above total deposits do not include cash on hand of \$3,737.

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

State law generally requires that municipal funds be deposited in federally insured banks located in the State of Arkansas. The municipal deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of not longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.



CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2022, is composed of the following:

Description	General Fund	Other Funds in the Aggregate
State aid	\$ 100,000	
Franchise fees	13,256	
Sales taxes	424,883	
Fines, forfeitures, and costs	31,158	\$ 1,625
Local permits and fees	120	
Contributions from county		21,624
Other	1,584	
Totals	<u>\$ 571,001</u>	<u>\$ 23,249</u>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2022, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Vendor payables	\$ 80,889	\$ 7,437	\$ 241,674
Salaries payable	41,465	3,955	
Payroll taxes payable	57,014	8,362	
Totals	<u>\$ 179,368</u>	<u>\$ 19,754</u>	<u>\$ 241,674</u>

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2022	
	Interfund Receivables	Interfund Payables
General Fund	\$ 324	
Other Funds in the Aggregate:		
Special Revenue Funds:		
American Rescue Plan Act		\$ 324
Totals	<u>\$ 324</u>	<u>\$ 324</u>

Interfund receivables and payables consist of errors in depositing restricted revenues and interfund loans. These balances were repaid in January 2023.

**NOTE 7: Federal Funds Program Compliance**

The grant of the American Rescue Plan Act was not audited in accordance with federal program requirements and therefore, any instances of noncompliance with federal grant requirements have not been determined. Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the City. The City is in the process of obtaining a federal compliance audit.

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

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

Fund balance classifications at December 31, 2022, are composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Restricted for:			
General government			\$ 300,206
Law enforcement			241,048
Highways and streets		\$ 210,206	
Public safety			549,214
Total Restricted		<u>210,206</u>	<u>1,090,468</u>
Assigned to:			
General government	\$ 332,822		
Highways and streets		188,160	
Total Assigned	<u>332,822</u>	<u>188,160</u>	
Unassigned	<u>3,585,163</u>		
Totals	<u>\$ 3,917,985</u>	<u>\$ 398,366</u>	<u>\$ 1,090,468</u>

**NOTE 9: Legal Debt Limit**

A. Property Tax Secured Bonded Debt

The City is subject to a constitutional limitation for bonded indebtedness equal to 20% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2022, the legal debt limit for the bonded debt was \$19,272,585. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The City is subject to a constitutional limitation for short-term financing obligations equal to 5% of the assessed value of taxable property within the City as determined by the last tax assessment. At December 31, 2022, the legal debt limit for short-term financing obligations was \$5,024,106. There were no short-term financing obligations.

**NOTE 10: Commitments**

Total commitments consist of the following at December 31, 2022:

	December 31, 2022
Long-term liabilities	\$ 131,045
Construction contract	<u>4,352</u>
Total Commitments	<u>\$ 135,397</u>

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 10: Commitments (Continued)**

Long-term liabilities

Long-term liabilities at December 31, 2022, are comprised of the following:

	December 31, 2022
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	\$ 131,045

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

Construction Contract

The City was contractually obligated for the following construction contract at December 31, 2022:

Project Name	Completed Date	Contract Balance December 31, 2022
South Fir Street Drainage	January 31, 2023	\$ 4,352

**NOTE 11: Subsequent Events**

On February 14, 2023, the City purchased thirty-two acres of land on West Mississippi Street for \$751,702 to be used for future parks and recreation development.

On April 17, 2023, the City sold sixty-two acres of land on South Fir Street for \$651,245 at public auction.

On April 24, 2023, the City entered a contract with Fire Master Fire Equipment to purchase a new firetruck for \$1,256,026.

On May 23, 2023, the City purchased forty acres of land on Evans Lane for \$425,696 to be used for economic development of commercial properties.

**NOTE 12: Joint Venture: White County Regional Library System**

White County and Bald Knob, Bradford, Beebe, Pangburn, Searcy, Rosebud, and Judsonia entered into an agreement in 1998, in accordance with Ark. Code Ann. §13-2-401, to establish the White County Regional Library System. The agreement states that the Regional Library is to be financed from the revenue generated from real and personal property taxes from the County Public Library Fund, state aid, grant money, and any other funds which the County has or may acquire for the System. The City Contributed \$48,294 for the expenses of the White County Regional Library System for the year ended December 31, 2022. Separate financial statements of the White County Regional Library System are available at 113 East Pleasure Avenue, Searcy, Arkansas 72143.

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 13: Risk Management**

The City 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 City participates in the Arkansas Municipal League Program (public entity risk pools) for coverage in the following areas:

Workers' Compensation - This program provides statutory benefits for losses incurred by municipal officials, employees, and volunteer fire fighters while performing work for the municipality. Rates for municipalities participating in this program are revised by class code on an annual basis by the Arkansas Workers' Compensation Commission.

**Municipal Vehicle Program**

- A. Liability - This program may pay all sums the municipality legally must pay as damages because of bodily injury, death or property damage to which this agreement applies involving a covered municipal vehicle and for which the municipality is liable. The limit of payment by the program is as follows: \$25,000 because of bodily injury to or death of one person in any one accident; \$50,000 because of bodily injury to or death of two or more persons in any one accident; and \$25,000 because of injury to or destruction of property of others in any one accident. The City shall pay into the program each year a charge established annually by the program administrator for covered municipal vehicles and self-propelled mobile equipment owned or leased by the City.
- B. Physical Damage - This program covers motor vehicles and permanently attached equipment which are the property of the participating municipality. 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 \$1,000 per occurrence. The City agrees to pay into the program each year a service charge established annually by the program administrator for covered property.

Municipal Property Program - This program covers insurable property and equipment, exclusive of motor vehicles and water vessels, which belong to or are in the care, custody, or control of a participating municipality. Property is valued at the full cost to repair or replace the property after deduction of depreciation or as agreed to by the participating municipality and program. Loss amounts payable will be reduced by the deductible amount of \$5,000, or in the case of flood or earthquake, \$100,000. The municipality agrees to pay into the program each year a service charge established annually by the program administrator for property for which the municipality desires coverage.

Municipal Legal Defense Program - The program shall, at the sole discretion of the program administrators, provide extraordinary legal defense and extraordinary expenses in suits against municipal officials and employees and civil rights suits against the municipal government of a participating municipality and pay extraordinary judgments (for actual damages – not punitive damages) imposed on municipal officials and employees and the municipal government. The program shall never be liable to reimburse the municipal government, municipal officials, and employees because of judgment in any one lawsuit for more than 25% of the program's available funds at time the lawsuit was filed or the judgment becomes final, or \$1 million, whichever is less. The City agrees to pay into the program each year a charge established by the steering committee. Each city also agrees to pay the first \$3,000 of the aggregate cost for all expenses on each lawsuit. This cost deposit is not refundable.

The City also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$300,000 or the amount of the bond. Premiums for coverage are determined by the State Risk Manager and approved by the Board. These premiums are paid by the State Treasurer from funds withheld from the Municipal Aid Fund. There is a \$2,500 deductible per occurrence.

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 14: Local Police and Fire Retirement System (LOPFI)  
(A Defined Benefit Pension Plan)**

Plan Description

The City contributes to the Local Police and Fire Retirement System (LOPFI), an agent multiple employer retirement system that acts as a common investment and administrative agent for cities and towns in Arkansas. The plan 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 Local Police and Fire Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for LOPFI. That report may be obtained by writing to Arkansas Local Police and Fire Retirement System, 620 W. 3<sup>rd</sup>, Suite 200, Little Rock, Arkansas 72201, by calling 1-866-859-1745, or on their website [www.lopfi-prb.com](http://www.lopfi-prb.com).

On November 30, 2021, administration of the City of Beebe Firemen's Pension and Relief Fund was transferred to LOPFI. The benefit structure of these plans was not changed.

Funding Policy

The employee contribution rate depends on the type of service being rendered and whether or not the service is also covered by Social Security. The different employee contribution rates required by state law are:

- A. Paid service not covered by Social Security: 8.5% of gross pay
- B. Paid service also covered by Social Security: 2.5% of gross pay
- C. Volunteer fire service: no employee contribution

The City is required to contribute at an actuarially determined rate. The contribution requirements of plan members are established and may be amended by State law. The contribution requirements of the City are established and may be amended by the LOPFI Board of Trustees. The plan is also funded with state insurance tax. The City's contribution to the plan was \$41,276 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$24,998 for the year ended December 31, 2022.

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 City's share of the collective net pension liability. The City's proportionate share of the collective net pension liability at December 31, 2022, (actuarial valuation date and measurement date) was \$534,303.

**NOTE 15: Arkansas Public Employees Retirement System**

Plan Description

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

CITY OF BEEBE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 15: Arkansas Public Employees Retirement System (Continued)**

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.25% as of July 1, 2022. 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 City's contribution to the plan for the year ended June 30, 2022 was \$358,325.

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 City's share of the collective net pension liability. The City's proportionate share of the collective net pension liability at June 30, 2022, (actuarial valuation date and measurement date) was \$3,016,372.

**NOTE 16: Mayor's Retirement Benefits**

Plan Description

Ark. Code Ann. § 24-12-123 establishes retirement benefits for mayors in cities of the first class and death benefits to their spouses at the option of the governing body of the City. Benefits and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. A retiree is entitled to receive an annual retirement benefit during the remainder of their natural life, payable at the rate of one-half (1/2) of the salary payable to the mayor at the completion of his or her last term as mayor. Retirement benefits are to be paid monthly from the City's General Fund. A mayor may retire: 1.) upon reaching the age of 60 with a minimum of ten years of service or 2.) upon serving 20 years, regardless of age. The City paid a former Mayor \$16,237, for the year ended December 31, 2022.

**NOTE 17: Corona Virus (COVID-19)**

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2021, the City was awarded \$1,692,263 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$1,692,253 of this amount has been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

CITY OF BEEBE, ARKANSAS  
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
REGULATORY BASIS  
DECEMBER 31, 2022

Schedule 1

SPECIAL REVENUE FUNDS

	Radio Equipment and Repair	Intoximeter	Fire Protection Plan	District Court Automation	Asset Forfeiture - Federal	Asset Forfeiture - State	County Fire Tax
ASSETS							
Cash and cash equivalents	\$ 3,480	\$ 2,150	\$ 128,722	\$ 34,783	\$ 2,687	\$ 16,383	\$ 398,868
Accounts receivable				1,625			21,624
TOTAL ASSETS	<u>\$ 3,480</u>	<u>\$ 2,150</u>	<u>\$ 128,722</u>	<u>\$ 36,408</u>	<u>\$ 2,687</u>	<u>\$ 16,383</u>	<u>\$ 420,492</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable				\$ 110			
Interfund payables							
Settlements pending							
Total Liabilities				<u>110</u>			
Fund Balances:							
Restricted	<u>\$ 3,480</u>	<u>\$ 2,150</u>	<u>\$ 128,722</u>	<u>36,298</u>	<u>\$ 2,687</u>	<u>\$ 16,383</u>	<u>\$ 420,492</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,480</u>	<u>\$ 2,150</u>	<u>\$ 128,722</u>	<u>\$ 36,408</u>	<u>\$ 2,687</u>	<u>\$ 16,383</u>	<u>\$ 420,492</u>

CITY OF BEEBE, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2022

Schedule 1

	SPECIAL REVENUE FUNDS			CUSTODIAL FUND	
	Beebe Animal Control	Jail Fine	American Rescue Plan Act	District Court	Totals
ASSETS					
Cash and cash equivalents	\$ 16,787	\$ 164,956	\$ 540,401	\$ 180,377	\$ 1,489,594
Accounts receivable					23,249
TOTAL ASSETS	<u>\$ 16,787</u>	<u>\$ 164,956</u>	<u>\$ 540,401</u>	<u>\$ 180,377</u>	<u>\$ 1,512,843</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable		\$ 1,693	\$ 239,871		\$ 241,674
Interfund payables			324		324
Settlements pending				\$ 180,377	180,377
Total Liabilities		<u>1,693</u>	<u>240,195</u>	<u>180,377</u>	<u>422,375</u>
Fund Balances:					
Restricted	<u>\$ 16,787</u>	<u>163,263</u>	<u>300,206</u>		<u>1,090,468</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 16,787</u>	<u>\$ 164,956</u>	<u>\$ 540,401</u>	<u>\$ 180,377</u>	<u>\$ 1,512,843</u>



CITY OF BEEBE, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

Schedule 2

	SPECIAL REVENUE FUNDS							
	Radio Equipment and Repair	Intoximeter	Fire Protection Plan	District Court Automation	Asset Forfeiture - Federal	Asset Forfeiture - State	County Fire Tax	Beebe Animal Control
REVENUES								
State aid			\$ 54,435					
Federal aid								
Fines, forfeitures, and costs	\$ 322	\$ 365		\$ 23,700		\$ 1,006		
Interest			33					
Local permits and fees							\$ 28,617	\$ 2,950
Donations								3,432
Net increase/(decrease) in fair value of investments								
Other								525
TOTAL REVENUES	322	365	54,468	23,700		1,006	28,617	6,907
EXPENDITURES								
Current:								
General government								
Law enforcement		37		14,823		6,988		7,902
Highways and streets								
Public safety			43,170				217,249	
Recreation and culture								
TOTAL EXPENDITURES		37	43,170	14,823		6,988	217,249	7,902
EXCESS OF REVENUES OVER (UNDER)								
EXPENDITURES	322	328	11,298	8,877		(5,982)	(188,632)	(995)
OTHER FINANCING SOURCES (USES)								
Contribution to water department								
Contributions from County							231,145	
TOTAL OTHER FINANCING SOURCES (USES)							231,145	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER)								
EXPENDITURES AND OTHER USES	322	328	11,298	8,877		(5,982)	42,513	(995)
FUND BALANCES - JANUARY 1	3,158	1,822	117,424	27,421	\$ 2,687	22,365	377,979	17,782
FUND BALANCES - DECEMBER 31	\$ 3,480	\$ 2,150	\$ 128,722	\$ 36,298	\$ 2,687	\$ 16,383	\$ 420,492	\$ 16,787

CITY OF BEEBE, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

Schedule 2

	SPECIAL REVENUE FUNDS		TRUST FUND	
	Jail Fine	American Rescue Plan Act	Fireman's Pension and Relief	Totals
REVENUES				
State aid				\$ 54,435
Federal aid		\$ 846,122		846,122
Fines, forfeitures, and costs	\$ 13,309			38,702
Interest		3,095		3,128
Local permits and fees				31,567
Donations				3,432
Net increase/(decrease) in fair value of investments			\$ 108	108
Other				525
<b>TOTAL REVENUES</b>	<b>13,309</b>	<b>849,217</b>	<b>108</b>	<b>978,019</b>
EXPENDITURES				
Current:				
General government		28,809		28,809
Law enforcement	54,426	95,274		179,450
Highways and streets		994,441		994,441
Public safety		43,294	589	304,302
Recreation and culture		8,073		8,073
<b>TOTAL EXPENDITURES</b>	<b>54,426</b>	<b>1,169,891</b>	<b>589</b>	<b>1,515,075</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(41,117)	(320,674)	(481)	(537,056)
OTHER FINANCING SOURCES (USES)				
Contribution to water department		(1,475)		(1,475)
Contributions from County				231,145
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>(1,475)</b>		<b>229,670</b>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(41,117)	(322,149)	(481)	(307,386)
FUND BALANCES - JANUARY 1	204,380	622,355	481	1,397,854
FUND BALANCES - DECEMBER 31	\$ 163,263	\$ 300,206	\$ 0	\$ 1,090,468

CITY OF BEEBE, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2022

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

<u>Fund Name</u>	<u>Fund Description</u>
Radio Equipment and Repair	Ark. Code Ann. § 14-52-202 and Beebe Ordinance no. 97-13 (September 11, 1997) established fund to receive 25% of fees for serving notices to vacate, warrants, and bail bonds to be used for law enforcement purposes.
Intoximeter	Ark. Code Ann. § 16-10-308 authorized a portion of district court costs to be used to purchase and maintain alcohol testing devices.
Fire Protection Plan	Ark. Code Ann. §§ 14-284-403, 404 requires insurance premium tax funds to be distributed by the county to municipal fire departments for training, purchase and improvement of fire fighting equipment, initial capital construction or improvements of fire departments, insurance for buildings, and utilities costs.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees of 1/2 of \$5 per month on each person to be used for court-related technology.
Asset Forfeiture - Federal	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency. The revenues shall only be used for law enforcement purposes.
Asset Forfeiture - State	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency. The revenues shall only be used for law enforcement purposes.
County Fire Tax	Established to receive the City's portion of the county sales and use taxes for fire protection services.
Beebe Animal Control	Established to account for donations received from the community to assist the City with expenses associated with the operation of the animal shelter.
Jail Fine	Ark. Code Ann. § 16-17-129 established fund to receive costs collected by the district court to defray the cost of incarcerating city prisoners.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLFR), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
Fireman's Pension and Relief	Ark. Code Ann. § 24-11-801 established fund to receive property taxes, state aid, and other revenues allowed by law for support of firefighter retirement programs.
District Court	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.

CITY OF BEEBE, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2022  
(Unaudited)

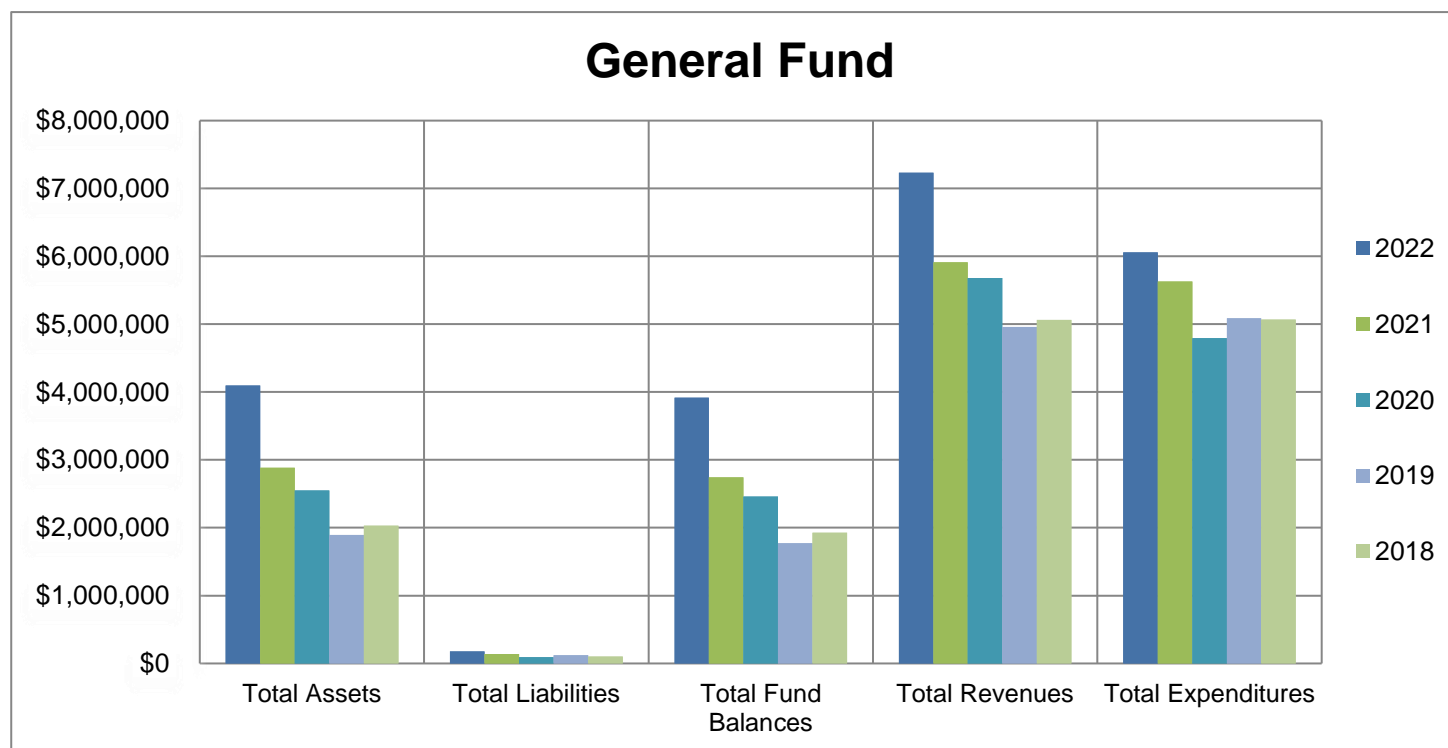
Schedule 3

	December 31, 2022
Land	\$ 759,814
Buildings and Improvements	3,098,482
Equipment	<u>4,456,396</u>
Total	<u>\$ 8,314,692</u>

CITY OF BEEBE, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
DECEMBER 31, 2022  
(Unaudited)

Schedule 4-1

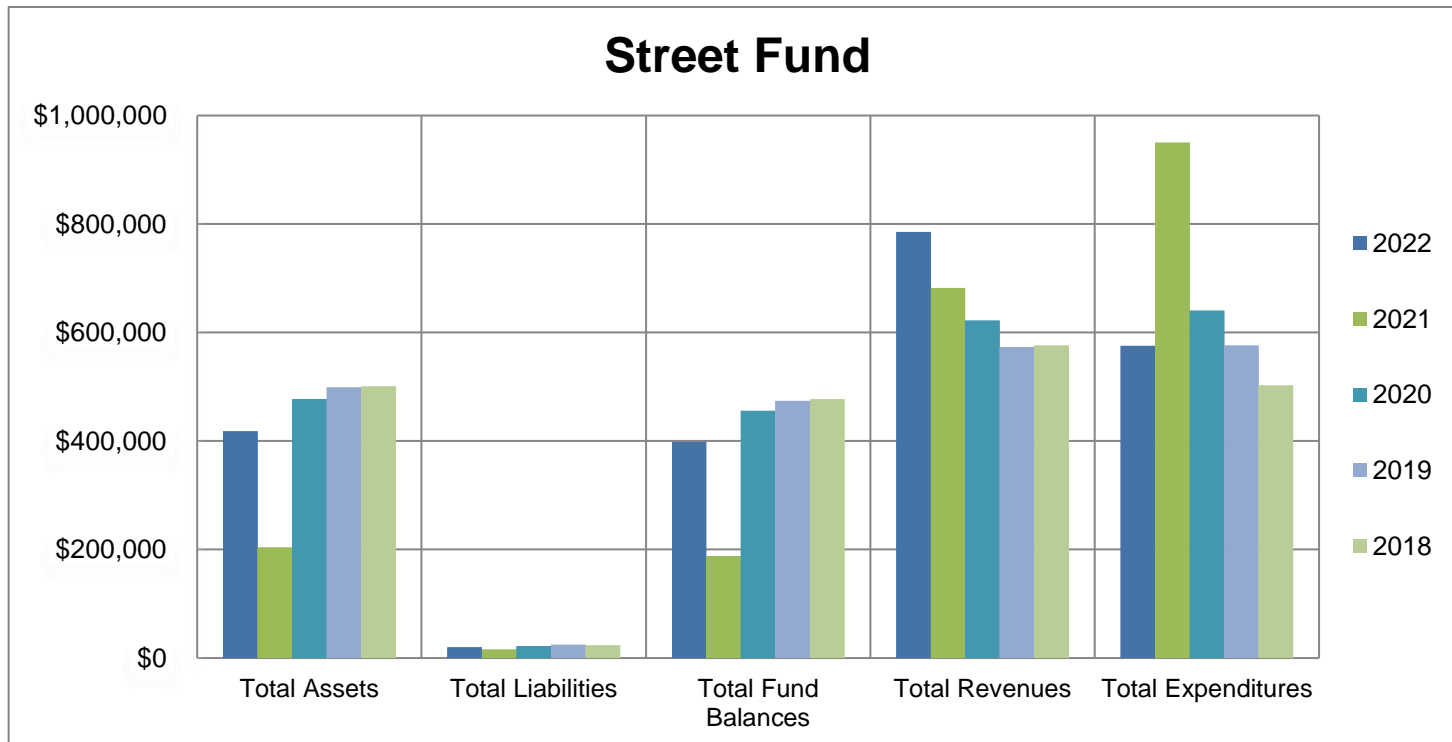
<u>General</u>	2022	2021	2020	2019	2018
Total Assets	\$ 4,097,353	\$ 2,882,267	\$ 2,550,589	\$ 1,892,772	\$ 2,030,727
Total Liabilities	179,368	139,051	90,966	120,357	103,284
Total Fund Balances	3,917,985	2,743,216	2,459,623	1,772,415	1,927,443
Total Revenues	7,232,175	5,911,751	5,680,616	4,960,135	5,063,117
Total Expenditures	6,057,406	5,628,437	4,791,876	5,085,163	5,069,743
Total Other Financing Sources/Uses		279	(196,602)	(30,000)	(80,000)



CITY OF BEEBE, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - STREET FUND - REGULATORY BASIS  
DECEMBER 31, 2022  
(Unaudited)

Schedule 4-2

<b>Street</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Total Assets	\$ 418,120	\$ 203,927	\$ 477,640	\$ 498,598	\$ 500,289
Total Liabilities	19,754	15,767	22,039	24,702	23,523
Total Fund Balances	398,366	188,160	455,601	473,896	476,766
Total Revenues	785,552	682,362	621,960	573,057	576,205
Total Expenditures	575,346	949,803	640,255	575,927	502,245
Total Other Financing Sources/Uses					50,000



CITY OF BEEBE, ARKANSAS  
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
DECEMBER 31, 2022  
(Unaudited)

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total Assets	\$ 1,512,843	\$ 1,582,881	\$ 1,144,810	\$ 953,231	\$ 983,662
Total Liabilities	422,375	185,027	176,856	188,374	281,006
Total Fund Balances	1,090,468	1,397,854	967,954	764,857	702,656
Total Revenues	978,019	1,203,535	353,850	316,322	406,279
Total Expenditures	1,515,075	310,664	347,280	284,121	229,390
Total Other Financing Sources/Uses	229,670	(462,971)	196,602	30,000	30,000

