

City of Beebe, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF BEEBE, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2023

Financial and Compliance Report

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Arkansas

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Senate Chair
Sen. John Payton
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Legislative Auditor

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LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

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

We have performed certain limited procedures with respect to cash basis financial information and compliance with certain state laws and accepted accounting practices for the City of Beebe, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated November 12, 2024. These procedures were not performed for the Water and Sewer Funds. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2023:

Mayor: Mike Robertson
Clerk/Treasurer: Carol Westergren
District Court Clerk: Jennifer Latture
Police Chief: Barron Dickson (October 1, 2023 through December 31, 2023)
Wayne Ballew (January 1, 2023 through October 1, 2023)

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

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

Clerk/Treasurer

One employee was overpaid by \$636 due to a processing error.

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 receipts and disbursements journals were not properly maintained and reconciled to bank deposits and withdrawals.
- The cash disbursements journal did not indicate the correct date, check number, payee, classification, and amount for numerous disbursements.

A similar finding was noted in the previous report.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Kevin White" with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
November 12, 2024
LOM100823

CITY OF BEEBE, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2023
(UNAUDITED)

Exhibit A

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 4,465,678	\$ 376,419	\$ 1,223,906
Accounts receivable	476,144		24,652
Interfund receivables	525		
TOTAL ASSETS	<u>\$ 4,942,347</u>	<u>\$ 376,419</u>	<u>\$ 1,248,558</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 114,719	\$ 7,005	\$ 380
Interfund payables			525
Settlements pending			265,745
Total Liabilities	<u>114,719</u>	<u>7,005</u>	<u>266,650</u>
Fund Balances:			
Restricted		181,254	981,908
Assigned	374,777	188,160	
Unassigned	4,452,851		
Total Fund Balances	<u>4,827,628</u>	<u>369,414</u>	<u>981,908</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,942,347</u>	<u>\$ 376,419</u>	<u>\$ 1,248,558</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, 2023
(UNAUDITED)

Exhibit B

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 133,699	\$ 711,716	
Property taxes	184,775	61,553	
Franchise fees	430,555		
Sales taxes	4,863,269		
Fines, forfeitures, and costs	498,244		\$ 49,817
Interest	80,657	7,740	899
Local permits and fees	140,094		8,777
Sanitation fees	1,044,422		
Parks income			
Donations			3,855
Other	662,820	2,931	
TOTAL REVENUES	<u>8,038,535</u>	<u>783,940</u>	<u>63,348</u>
EXPENDITURES			
Current:			
General government	1,873,329		1,275
Law enforcement	3,218,823		120,773
Highways and streets		812,892	
Public safety	802,923		268,163
Sanitation	1,035,498		
Recreation and culture	1,238,460		36,000
Cemetery	32,512		
TOTAL EXPENDITURES	<u>8,201,545</u>	<u>812,892</u>	<u>426,211</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(163,010)</u>	<u>(28,952)</u>	<u>(362,863)</u>
OTHER FINANCING SOURCES (USES)			
Contributions from County			254,303
Sale of land	1,072,653		
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,072,653</u>		<u>254,303</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	909,643	(28,952)	(108,560)
FUND BALANCES - JANUARY 1	<u>3,917,985</u>	<u>398,366</u>	<u>1,090,468</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 4,827,628</u></u>	<u><u>\$ 369,414</u></u>	<u><u>\$ 981,908</u></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 -
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 120,184	\$ 133,699	\$ 13,515	\$ 649,039	\$ 711,716	\$ 62,677
Property taxes	184,775	184,775	0	61,553	61,553	0
Franchise fees	347,195	430,555	83,360			
Sales taxes	4,846,000	4,863,269	17,269			
Fines, forfeitures, and costs	482,556	498,244	15,688			
Interest	67,788	80,657	12,869	7,740	7,740	0
Local permits and fees	142,339	140,094	(2,245)			
Sanitation fees	1,044,422	1,044,422	0			
Other	1,904,905	662,820	(1,242,085)	8,313	2,931	(5,382)
TOTAL REVENUES	9,140,164	8,038,535	(1,101,629)	726,645	783,940	57,295
EXPENDITURES						
Current:						
General government	1,910,667	1,873,329	37,338			
Law enforcement	3,285,285	3,218,823	66,462			
Highways and streets				824,584	812,892	11,692
Public safety	817,310	802,923	14,387			
Sanitation	939,342	1,035,498	(96,156)			
Recreation and culture	1,241,618	1,238,460	3,158			
Cemetery	33,061	32,512	549			
TOTAL EXPENDITURES	8,227,283	8,201,545	25,738	824,584	812,892	11,692
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	912,881	(163,010)	(1,075,891)	(97,939)	(28,952)	68,987
OTHER FINANCING SOURCES (USES)						
Transfers in	47,177		(47,177)	300		(300)
Sale of land		1,072,653	1,072,653			
TOTAL OTHER FINANCING SOURCES (USES)	47,177	1,072,653	1,025,476	300		(300)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	960,058	909,643	(50,415)	(97,639)	(28,952)	68,687
FUND BALANCES - JANUARY 1	2,543,264	3,917,985	1,374,721	469,993	398,366	(71,627)
FUND BALANCES - DECEMBER 31	\$ 3,503,322	\$ 4,827,628	\$ 1,324,306	\$ 372,354	\$ 369,414	\$ (2,940)

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

CITY OF BEEBE, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

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	Beebe Animal Control
ASSETS								
Cash and cash equivalents	\$ 3,882	\$ 2,513	\$ 65,430	\$ 32,018	\$ 2,687	\$ 7,498	\$ 448,173	\$ 20,493
Accounts receivable				2,002			22,650	
TOTAL ASSETS	\$ 3,882	\$ 2,513	\$ 65,430	\$ 34,020	\$ 2,687	\$ 7,498	\$ 470,823	\$ 20,493
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable				\$ 47				
Interfund payables								
Settlements pending								
Total Liabilities				47				
Fund Balances:								
Restricted	\$ 3,882	\$ 2,513	\$ 65,430	33,973	\$ 2,687	\$ 7,498	\$ 470,823	\$ 20,493
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,882	\$ 2,513	\$ 65,430	\$ 34,020	\$ 2,687	\$ 7,498	\$ 470,823	\$ 20,493

CITY OF BEEBE, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS		CUDSOTIAL FUND	
	Jail Fine	American Rescue Plan Act	District Court	Totals
ASSETS				
Cash and cash equivalents	\$ 112,011	\$ 263,456	\$ 265,745	\$ 1,223,906
Accounts receivable				24,652
TOTAL ASSETS	\$ 112,011	\$ 263,456	\$ 265,745	\$ 1,248,558
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 333			\$ 380
Interfund payables		\$ 525		525
Settlements pending			\$ 265,745	265,745
Total Liabilities	333	525	265,745	266,650
Fund Balances:				
Restricted	111,678	262,931		981,908
TOTAL LIABILITIES AND FUND BALANCES	\$ 112,011	\$ 263,456	\$ 265,745	\$ 1,248,558

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, 2023
 (UNAUDITED)

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								
Fines, forfeitures, and costs	\$ 402	\$ 363		\$ 32,597				
Interest			\$ 899					
Local permits and fees								\$ 8,777
Donations								3,855
TOTAL REVENUES	<u>402</u>	<u>363</u>	<u>899</u>	<u>32,597</u>				<u>12,632</u>
EXPENDITURES								
Current:								
General government								
Law enforcement				34,922		\$ 8,885		8,926
Public safety			64,191				\$ 203,972	
Recreation and culture								
TOTAL EXPENDITURES			<u>64,191</u>	<u>34,922</u>		<u>8,885</u>	<u>203,972</u>	<u>8,926</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>402</u>	<u>363</u>	<u>(63,292)</u>	<u>(2,325)</u>		<u>(8,885)</u>	<u>(203,972)</u>	<u>3,706</u>
OTHER FINANCING SOURCES (USES)								
Contributions from county							254,303	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	402	363	(63,292)	(2,325)		(8,885)	50,331	3,706
FUND BALANCES - JANUARY 1	<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>	<u>16,787</u>
FUND BALANCES - DECEMBER 31	<u>\$ 3,882</u>	<u>\$ 2,513</u>	<u>\$ 65,430</u>	<u>\$ 33,973</u>	<u>\$ 2,687</u>	<u>\$ 7,498</u>	<u>\$ 470,823</u>	<u>\$ 20,493</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, 2023
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS		
	Jail Fine	American Rescue Plan Act	Totals
REVENUES			
Fines, forfeitures, and costs	\$ 16,455		\$ 49,817
Interest			899
Local permits and fees			8,777
Donations			3,855
TOTAL REVENUES	16,455		63,348
EXPENDITURES			
Current:			
General government		\$ 1,275	1,275
Law enforcement	68,040		120,773
Public safety			268,163
Recreation and culture		36,000	36,000
TOTAL EXPENDITURES	68,040	37,275	426,211
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(51,585)	(37,275)	(362,863)
OTHER FINANCING SOURCES (USES)			
Contributions from county			254,303
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(51,585)	(37,275)	(108,560)
FUND BALANCES - JANUARY 1	163,263	300,206	1,090,468
FUND BALANCES - DECEMBER 31	\$ 111,678	\$ 262,931	\$ 981,908

CITY OF BEEBE, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023
(UNAUDITED)

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.
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 GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

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

The financial statements are presented in accordance with the regulatory basis of presentation as prescribed or permitted by Ark. Code Ann. § 10-4-412. The law requires that the financial statements be presented on a fund basis with, as a minimum, the general fund and 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. The Special Revenue Funds presented on Schedules 1 and 2 are reported with other funds in the aggregate.

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

CITY OF BEEBE, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

1. (Continued)

B. Basis of Accounting - Regulatory

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available. 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.

C. 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.
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.

CITY OF BEEBE, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

1. (Continued)

D. Property Taxes

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

E. 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.

F. 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.

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.

CITY OF BEEBE, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

2. Details of Fund Balance Classifications

Fund balance classifications at December 31, 2023, are composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 262,931
Law enforcement			182,724
Highways and streets		\$ 181,254	
Public safety			536,253
Total Restricted		181,254	981,908
Assigned to:			
General government	\$ 374,777		
Highways and streets		188,160	
Total Assigned	374,777	188,160	
Unassigned	4,452,851		
Totals	\$ 4,827,628	\$ 369,414	\$ 981,908

3. Commitments

Total commitments consist of the following at December 31, 2023:

	December 31, 2023
Long-term liabilities	\$ 154,047

Long-term liabilities

Long-term liabilities at December 31, 2023, are comprised of the following:

	December 31, 2023
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	\$ 154,047

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

4. Subsequent Events

On January 23, 2024, the City contracted with BMD Builders, LLC in the amount of \$725,903 for the Community Drive commercial development project.

On April 17, 2024, the City contracted with Flynco, Inc in the amount of \$543,402 for the construction of a splash pad and park improvements.

CITY OF BEEBE, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

5. Related Party Transaction

The City sold 62.92 acres of land at public auction for \$723,580 to council member, Nathan Lindsey. Beebe City Ordinance no. 2023-05 (February 20, 2023) allows the City to conduct business with this related party.

6. Joint Venture: White County Regional Library System

White County and the Cities of Bald Knob, Bradford, Beebe, Pangburn, Searcy, Rose Bud, 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 for 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 \$47,981 for the expenses of the White County Regional Library System for the year ended December 31, 2023. Separate financial statements of the White County Regional Library System are available at 1609 W Beebe Capps Expressway, Searcy, Arkansas 72143.

**7. 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. 3rd, Suite 200, Little Rock, Arkansas 72201, by calling 1-866-859-1745, or on their website 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 \$64,113 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$28,712 for the year ended December 31, 2023.

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, 2023, (actuarial valuation date and measurement date) was \$624,234.

CITY OF BEEBE, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2023
(UNAUDITED)

8. 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.

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 5.5% as of July 1, 2023. 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, 2023, (date of APERS Employer Allocation Report) was \$374,176.

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, 2023, (actuarial valuation date and measurement date) was \$3,211,315.

9. 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, 2023.

10. Capital Assets

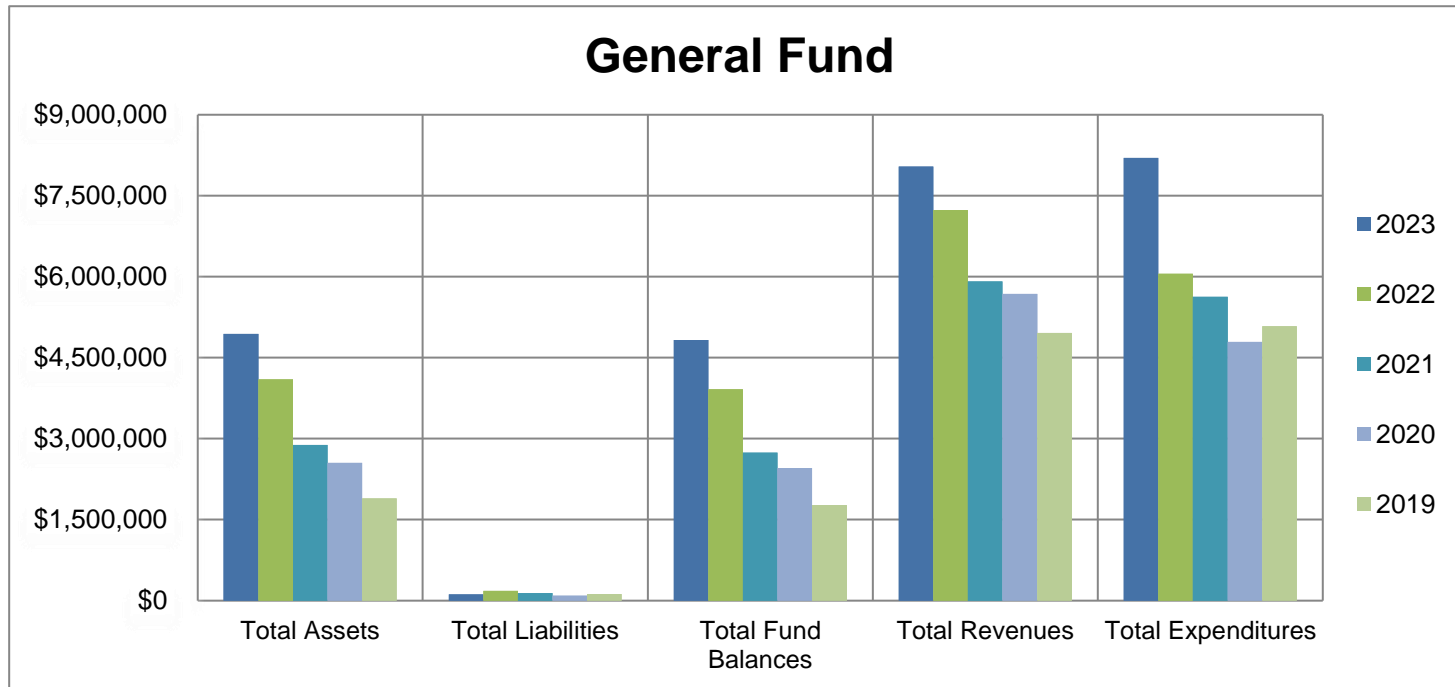
The Municipality's capital assets records are summarized below:

	December 31, 2023
Land	\$ 1,515,804
Buildings	3,112,229
Equipment	5,271,242
Total	\$ 9,899,275

CITY OF BEEBE, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2023
 (Unaudited)

Schedule 3-1

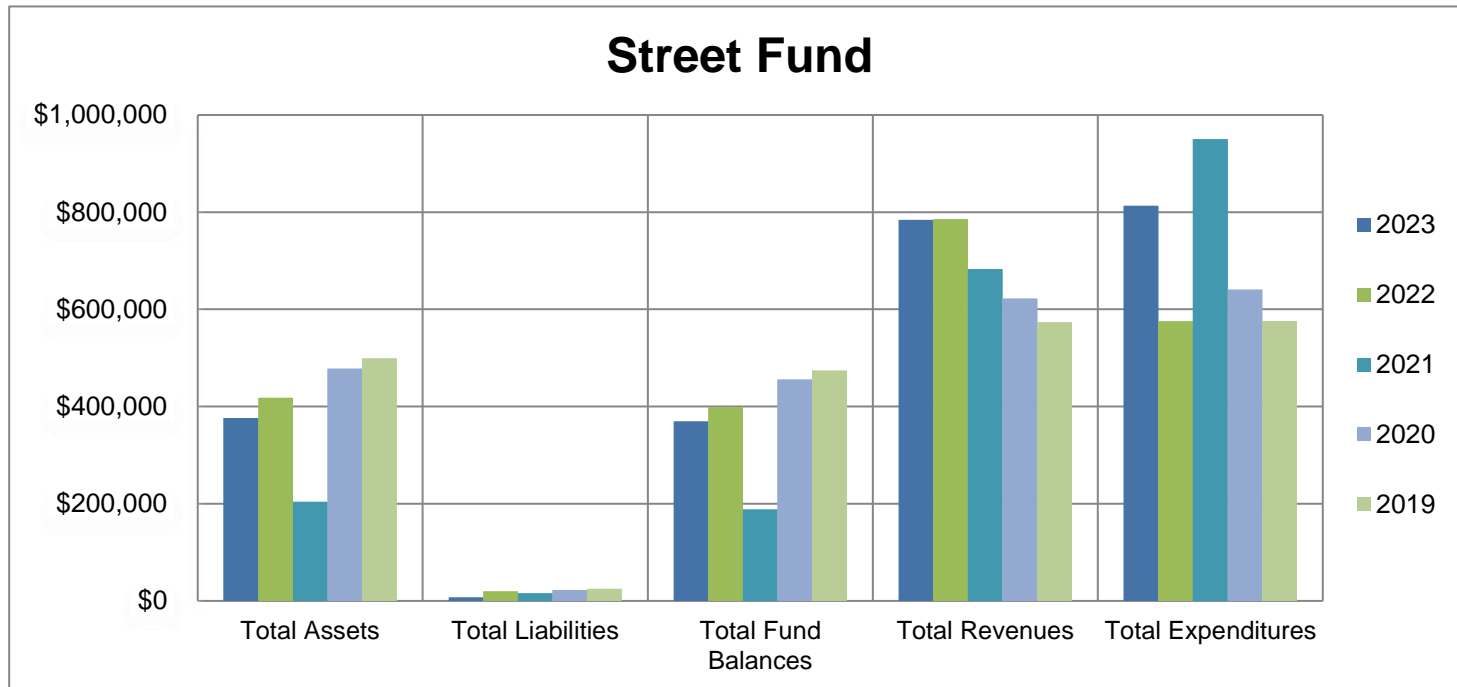
General	2023	2022	2021	2020	2019
Total Assets	\$ 4,942,347	\$ 4,097,353	\$ 2,882,267	\$ 2,550,589	\$ 1,892,772
Total Liabilities	114,719	179,368	139,051	90,966	120,357
Total Fund Balances	4,827,628	3,917,985	2,743,216	2,459,623	1,772,415
Total Revenues	8,038,535	7,232,175	5,911,751	5,680,616	4,960,135
Total Expenditures	8,201,545	6,057,406	5,628,437	4,791,876	5,085,163
Total Other Financing Sources/Uses	1,072,653		279	(196,602)	(30,000)



CITY OF BEEBE, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - STREET FUND - REGULATORY BASIS
 DECEMBER 31, 2023
 (Unaudited)

Schedule 3-2

Street	2023	2022	2021	2020	2019
Total Assets	\$ 376,419	\$ 418,120	\$ 203,927	\$ 477,640	\$ 498,598
Total Liabilities	7,005	19,754	15,767	22,039	24,702
Total Fund Balances	369,414	398,366	188,160	455,601	473,896
Total Revenues	783,940	785,552	682,362	621,960	573,057
Total Expenditures	812,892	575,346	949,803	640,255	575,927



CITY OF BEEBE, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2023
 (Unaudited)

Schedule 3-3

Other Funds in the Aggregate	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Assets	\$ 1,248,558	\$ 1,512,843	\$ 1,582,881	\$ 1,144,810	\$ 953,231
Total Liabilities	266,650	422,375	185,027	176,856	188,374
Total Fund Balances	981,908	1,090,468	1,397,854	967,954	764,857
Total Revenues	63,348	978,019	1,203,535	353,850	316,322
Total Expenditures	426,211	1,515,075	310,664	347,280	284,121
Total Other Financing Sources/Uses	254,303	229,670	(462,971)	196,602	30,000

