

**City of Carlisle, Arkansas**

**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2023 and 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas



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

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

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

City of Carlisle, 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 Carlisle, 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, 2023 and 2022, the related Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis, and the Statement of Revenues, Expenditures, and Changes in Fund Balances – 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 Carlisle, Arkansas as of December 31, 2023 and 2022; the regulatory basis revenues, expenditures, and changes in fund balance; 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 Carlisle, Arkansas, as of December 31, 2023 and 2022, or the revenues, expenditures, and changes in fund balance 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.

#### *Emphases of Matter*

As discussed in Note 1 to the financial statements, in 2022 the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, Leases. Our opinions are not modified with respect to this matter.

As discussed in Note 1 to the financial statements, the City would have included other funds 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, these funds are 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 October 3, 2024, 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

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  
October 3, 2024  
LOM101823

# Arkansas



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

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

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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 Carlisle, 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 Carlisle, Arkansas (City), as of and for the years ended December 31, 2023 and 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 October 3, 2024. 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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described below as items 2023-1 and 2023-2, that we consider to be material weaknesses.

2023-1 Arkansas Code requires City management to maintain financial records. The 2023 financial records contained omissions/  
errors

that are considered material as specified below:

The General Fund financial records contained misstatements in assets, liabilities, fund balance, revenues, expenditures, and note disclosures in the amounts of \$1,196,365, \$138,334, \$269,339, \$1,460,940, \$498,402, and \$1,601,052, respectively, due to posting errors and unrecorded transactions.

The Street Fund financial records contained misstatements in assets, liabilities, fund balance, revenues, expenditures, and note disclosures in the amounts of \$242,811, \$81,583, \$158,291, \$36,783, \$10,399, and \$479,699, respectively, due to posting errors and unrecorded transactions.

The Other Funds in the Aggregate financial records contained misstatements in assets, liabilities, fund balance, revenues, expenditures, and note disclosures in the amounts of \$1,051,821, \$2,742,106, \$2,998,595, \$274,577, \$502,313, and \$6,792,522, respectively, due to posting errors and unrecorded transactions.

A similar finding was noted in the previous four reports dating back to 2018.

The effect of these omissions/errors constitutes a control deficiency in the process of preparing financial statements. City management should implement procedures to ensure financial records are properly posted.

2023-1 (Continued)

The Mayor concurred with the above recommendations and has approved the appropriate entries to the City's accounting records.

2023-2 Arkansas code requires City management to maintain financial records. The 2022 financial records contained omissions/errors that are considered material as specified below:

The General Fund financial records contained misstatements in assets, liabilities, fund balance, revenues, expenditures, and note disclosures in the amounts of \$394,685, \$120,458, \$298,171, \$382,856, \$132,149, and \$813,314, respectively, due to posting errors and unrecorded transactions.

The Street Fund financial records contained misstatements in assets, liabilities, revenues, expenditures, and note disclosures in the amounts of \$242,084, \$75,549, \$237,916, \$36,304, and 331,563, respectively, due to posting errors and unrecorded transactions.

The Other Funds in the Aggregate financial records contained misstatements in assets, fund balance, revenues, expenditures, and note disclosures in the amounts of \$1,033,685, \$373,638, \$333,125, \$432,295, and \$1,410,734, respectively, due to posting errors and unrecorded transactions.

A similar finding was noted in the previous four reports dating back to 2018.

The effect of these omissions/errors constitutes a control deficiency in the process of preparing financial statements. City management should implement procedures to ensure financial records are properly posted.

The Mayor concurred with the above recommendations and has approved the appropriate entries to the City's accounting records.

### 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the Report on Internal Control over Financial Reporting section as items 2023-1 and 2023-2 and in this section as 2023-3.

2023-3 2 CFR § 200.501 requires City management to obtain a federal compliance audit when federal expenditures exceed \$750,000. The City had federal expenditures in excess of \$750,000 in 2017 and 2022 and did not obtain a federal compliance audit as required, due to management oversight. The City could be responsible for repayment of federal expenditures if instances of noncompliance are noted during a federal compliance audit. We recommend the City obtain a federal compliance audit. A similar finding was noted in the previous five reports dating back to 2017.

We also reported to management of the City in a separate letter dated October 3, 2024.

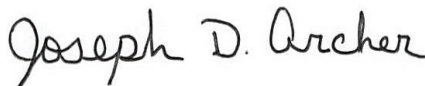
### City's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's responses to the findings identified in our audit and described previously. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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



Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 3, 2024

# Arkansas



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

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House Vice Chair

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2023 and 2022:

Mayor: Ray Glover  
City Clerk: Sissy Ingle (January 1, 2023 – December 31, 2023)  
Ronnie Ashmore (January 1, 2022 – December 31, 2022)  
Treasurer: Sissy Ingle (appointed May 21, 2023)  
Trudy Drye (January 1, 2022 – May 19, 2023)  
District Court Clerk: Kari Cook (appointed May 29, 2023)  
Maurisa Hayes (resigned May 29, 2023)  
Police Chief: Eric Frank

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 and Treasurer

1. Management has no process to review and approve journal entries. Additionally, supporting documentation for journal entries was not maintained. A similar finding was noted in the previous four reports.
2. Accounting procedures for municipalities are set forth in Ark. Code Ann. §§ 14-59-101 - 14-59-119. The City was not in compliance with these codes and other accounting procedures as follows:
  - Bank reconciliations were not always prepared monthly. Additionally, they were not always approved by someone other than the preparer.
  - Cash receipts journals were not properly maintained to include all receipts, a month to date and year to date total, and were not reconciled to total bank deposits.
  - Cash disbursements journals were not properly maintained to include all disbursements, a month to date and year to date total, and were not reconciled to total bank disbursements.
  - Prenumbered receipts were not issued for all funds received.
  - The annual financial statements were not published by April 1 of the following year.

A similar finding was issued in the previous four reports.

#### Mayor

1. The City has not obtained an audit or agreed-upon procedures report for the City's water and sewer system since 2019, as required by Ark. Code Ann. § 14-234-119. A similar finding was issued in the previous two reports.
2. The governing body did not adopt a budget by ordinance or resolution, in noncompliance with Ark. Code Ann. § 14-58-202 for the Court Automation, American Rescue Plan Act, or 2017 Sales and Use Tax Refund Bond Funds in 2023 and 2022, nor for the Fire Pension Fund in 2023.
3. The City paid \$3,972 to a fireman for fire truck repairs in 2022, without an authorizing ordinance, in apparent conflict with Ark. Code Ann. § 14-42-107.



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 that reads "Joseph D. Archer". The signature is written in a cursive, slightly slanted style.

Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
October 3, 2024

CITY OF CARLISLE, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2023

Exhibit A

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 421,421	\$ 71,525	\$ 259,178
Accounts receivable	159,729	4,962	27,440
Interfund receivables		2,986	
Due from water department	<u>33,893</u>	<u>99,236</u>	
<b>TOTAL ASSETS</b>	<u><u>\$ 615,043</u></u>	<u><u>\$ 178,709</u></u>	<u><u>\$ 286,618</u></u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Interfund payables	\$ 2,986		
Settlements pending			\$ 10,456
<b>Total Liabilities</b>	<u>2,986</u>		<u>10,456</u>
Fund Balances:			
Restricted	72,083	\$ 178,709	276,162
Committed	133,485		
Unassigned	<u>406,489</u>		
<b>Total Fund Balances</b>	<u>612,057</u>	<u>178,709</u>	<u>276,162</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 615,043</u></u>	<u><u>\$ 178,709</u></u>	<u><u>\$ 286,618</u></u>

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

CITY OF CARLISLE, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit B

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 52,971	\$ 171,497	\$ 248,395
Property taxes	150,210	28,373	
Franchise fees	112,215		
Sales taxes	855,215		332,648
Fines, forfeitures, and costs	87,329		2,259
Interest	19,420	1,084	6,245
Local permits and fees	16,931		
Sanitation fees	102,971	41,956	
Mosquito fees	66,836		
Reimbursement law enforcement	33,753		
Farm rent			37,100
Fuel sales			142,511
Hangar rent			61,341
Sale of property and equipment	184,314		
Other	143,459	5,311	73,960
	<u>1,825,624</u>	<u>248,221</u>	<u>904,459</u>
TOTAL REVENUES			
EXPENDITURES			
Current:			
General government	406,411		
Law enforcement	848,127		1,779
Highways and streets	814	260,532	
Public safety	192,258		337,472
Sanitation	63,012		
Health	41,481		
Recreation and culture	176,847		
Social services	10,314		
Airport			617,798
Total Current	<u>1,739,264</u>	<u>260,532</u>	<u>957,049</u>
Debt Service:			
Bond principal			140,000
Bond interest and other charges			25,124
Financed purchase principal	12,934		
Financed purchase interest	1,169		
	<u>1,753,367</u>	<u>260,532</u>	<u>1,122,173</u>
TOTAL EXPENDITURES			

CITY OF CARLISLE, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit B

	General	Street	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 72,257	\$ (12,311)	\$ (217,714)
OTHER FINANCING SOURCES (USES)			
Transfers in	160,308	24,271	
Transfers out	(24,271)		(160,308)
Insurance proceeds	114,353		
TOTAL OTHER FINANCING SOURCES (USES)	250,390	24,271	(160,308)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	322,647	11,960	(378,022)
FUND BALANCES - JANUARY 1	289,410	166,749	654,184
FUND BALANCES - DECEMBER 31	\$ 612,057	\$ 178,709	\$ 276,162

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

CITY OF CARLISLE, 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

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 49,000	\$ 52,971	\$ 3,971	\$ 172,000	\$ 171,497	\$ (503)
Property taxes	141,000	150,210	9,210	20,000	28,373	8,373
Franchise fees	105,000	112,215	7,215			
Sales taxes	841,866	855,215	13,349	20,000		(20,000)
Fines, forfeitures, and costs	144,815	87,329	(57,486)			
Interest	304	19,420	19,116	40	1,084	1,044
Local permits and fees	25,550	16,931	(8,619)			
Sanitation fees	90,000	102,971	12,971	40,000	41,956	1,956
Mosquito fees	48,000	66,836	18,836			
Jail fees	10,000		(10,000)			
Reimbursement law enforcement		33,753	33,753			
Sale of property and equipment		184,314	184,314			
Other	91,598	143,459	51,861	2,500	5,311	2,811
<b>TOTAL REVENUES</b>	<b>1,547,133</b>	<b>1,825,624</b>	<b>278,491</b>	<b>254,540</b>	<b>248,221</b>	<b>(6,319)</b>
EXPENDITURES						
Current:						
General government	324,134	406,411	(82,277)			
Law enforcement	963,439	848,127	115,312			
Highways and streets		814	(814)	354,540	260,532	94,008
Public safety	134,174	192,258	(58,084)			
Sanitation	99,113	63,012	36,101			
Health	63,757	41,481	22,276			
Recreation and culture	165,460	176,847	(11,387)			
Social services	12,150	10,314	1,836			
Total Current	1,762,227	1,739,264	22,963	354,540	260,532	94,008
Debt Service:						
Financed purchase principal		12,934	(12,934)			
Financed purchase interest		1,169	(1,169)			
<b>TOTAL EXPENDITURES</b>	<b>1,762,227</b>	<b>1,753,367</b>	<b>8,860</b>	<b>354,540</b>	<b>260,532</b>	<b>94,008</b>

CITY OF CARLISLE, 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

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (215,094)	\$ 72,257	\$ 287,351	\$ (100,000)	\$ (12,311)	\$ 87,689
OTHER FINANCING SOURCES (USES)						
Transfers in		160,308	160,308		24,271	24,271
Transfers out		(24,271)	(24,271)			
Insurance proceeds		114,353	114,353			
TOTAL OTHER FINANCING SOURCES (USES)		250,390	250,390		24,271	24,271
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(215,094)	322,647	537,741	(100,000)	11,960	111,960
FUND BALANCES - JANUARY 1	100,000	289,410	189,410	100,000	166,749	66,749
FUND BALANCES - DECEMBER 31	\$ (115,094)	\$ 612,057	\$ 727,151	\$ 0	\$ 178,709	\$ 178,709

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

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

Exhibit A-1

	General	Street	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 189,966	\$ 80,940	\$ 639,802
Accounts receivable	65,836	3,009	26,990
Interfund receivables		2,986	
Due from water department	36,594	79,814	
<b>TOTAL ASSETS</b>	<b>\$ 292,396</b>	<b>\$ 166,749</b>	<b>\$ 666,792</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Interfund payables	\$ 2,986		
Settlements pending			\$ 12,608
Total Liabilities	2,986		12,608
Fund Balances:			
Restricted	61,538	\$ 166,749	654,184
Committed	68,171		
Unassigned	159,701		
Total Fund Balances	289,410	166,749	654,184
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 292,396</b>	<b>\$ 166,749</b>	<b>\$ 666,792</b>

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

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

Exhibit B-1

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
<b>REVENUES</b>			
State aid	\$ 101,348	\$ 175,522	\$ 5,495
Federal aid	3,000		1,022,863
Property taxes	123,438	25,465	10,731
Franchise fees	88,872		
Sales taxes	783,659		329,921
Fines, forfeitures, and costs	47,332		2,649
Interest	280	85	2,780
Local permits and fees	18,672		
Sanitation fees	101,538	41,251	
Mosquito fees	49,139		
Jail fees	5,203		
Reimbursement law enforcement	49,999		
Farm rent			37,100
Fuel sales			131,802
Hangar rent			97,776
Net increase/(decrease) in fair value of investments			(13,339)
Other	52,521	4,167	21,507
	<u>1,425,001</u>	<u>246,490</u>	<u>1,649,285</u>
<b>TOTAL REVENUES</b>			
<b>EXPENDITURES</b>			
Current:			
General government	465,291		19,207
Law enforcement	778,619		2,710
Highways and streets		342,493	
Public safety	135,820		183,539
Sanitation	82,461		
Health	34,461		
Recreation and culture	163,678		
Social services	10,174		
Airport			997,778
Total Current	<u>1,670,504</u>	<u>342,493</u>	<u>1,203,234</u>
Debt Service:			
Bond principal			140,000
Bond interest and other charges			28,186
Financed purchase principal	23,627		
Financed purchase interest	1,612		
	<u>1,695,743</u>	<u>342,493</u>	<u>1,371,420</u>
<b>TOTAL EXPENDITURES</b>			



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

Exhibit B-1

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (270,742)	\$ (96,003)	\$ 277,865
OTHER FINANCING SOURCES (USES)			
Transfers in	158,780		
Transfers out			(158,780)
TOTAL OTHER FINANCING SOURCES (USES)	<u>158,780</u>		<u>(158,780)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(111,962)	(96,003)	119,085
FUND BALANCES - JANUARY 1	<u>401,372</u>	<u>262,752</u>	<u>535,099</u>
FUND BALANCES - DECEMBER 31	<u>\$ 289,410</u>	<u>\$ 166,749</u>	<u>\$ 654,184</u>

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

CITY OF CARLISLE, 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

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 56,000	\$ 101,348	\$ 45,348	\$ 172,000	\$ 175,522	\$ 3,522
Federal aid		3,000	3,000			
Property taxes	133,000	123,438	(9,562)	20,000	25,465	5,465
Franchise fees	105,000	88,872	(16,128)			
Sales taxes	839,893	783,659	(56,234)	20,000		(20,000)
Fines, forfeitures, and costs	74,300	47,332	(26,968)			
Interest	304	280	(24)	40	85	45
Local permits and fees	27,900	18,672	(9,228)			
Sanitation fees	90,000	101,538	11,538	40,000	41,251	1,251
Mosquito fees	48,000	49,139	1,139			
Jail fees	10,000	5,203	(4,797)			
Reimbursement law enforcement		49,999	49,999			
Other	135,257	52,521	(82,736)	2,500	4,167	1,667
<b>TOTAL REVENUES</b>	<b>1,519,654</b>	<b>1,425,001</b>	<b>(94,653)</b>	<b>254,540</b>	<b>246,490</b>	<b>(8,050)</b>
EXPENDITURES						
Current:						
General government	381,409	465,291	(83,882)			
Law enforcement	897,909	778,619	119,290			
Highways and streets				306,540	342,493	(35,953)
Public safety	165,111	135,820	29,291			
Sanitation	98,000	82,461	15,539			
Health	96,747	34,461	62,286			
Recreation and culture	187,383	163,678	23,705			
Social services	10,150	10,174	(24)			
Total Current	1,836,709	1,670,504	166,205	306,540	342,493	(35,953)
Debt Service:						
Financed purchase principal		23,627	(23,627)			
Financed purchase interest		1,612	(1,612)			
<b>TOTAL EXPENDITURES</b>	<b>1,836,709</b>	<b>1,695,743</b>	<b>140,966</b>	<b>306,540</b>	<b>342,493</b>	<b>(35,953)</b>

CITY OF CARLISLE, 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

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (317,055)	\$ (270,742)	\$ 46,313	\$ (52,000)	\$ (96,003)	\$ (44,003)
OTHER FINANCING SOURCES (USES) Transfers in		158,780	158,780			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(317,055)	(111,962)	205,093	(52,000)	(96,003)	(44,003)
FUND BALANCES - JANUARY 1	288,691	401,372	112,681	52,000	262,752	210,752
FUND BALANCES - DECEMBER 31	\$ (28,364)	\$ 289,410	\$ 317,774	\$ 0	\$ 166,749	\$ 166,749

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

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

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

**A. Financial Reporting Entity**

The City of Carlisle 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 funds of the City would have been included in the reporting entity: Water and Sewer. However, under Arkansas's regulatory basis described below, inclusion of these funds is not required and these funds are 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, property taxes, sales taxes, and sanitation fees 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 through 4 for Special Revenue Funds as reported with other funds in the aggregate.

**Debt Service Funds** - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. See Schedules 1 through 4 for the Debt Service Fund 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 Schedules 2 through 4 for the Pension Trust Fund as 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). See Schedule 1 and 3 for Custodial Funds as reported with other funds in the aggregate.

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

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

**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.

In 2022, the City implemented Governmental Accounting Standards Board Statement No. 87, Leases. The significant/material effect on the Regulatory Basis of Accounting in the current period is that certain items included in debt service in the previous period are included in the expenditures/function code of the applicable opinion unit.

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

Cash and Cash Equivalents

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

Settlements Pending

Settlements pending are considered fines, forfeitures, 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. Committed fund balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council (passage of an ordinance).
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.

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

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

**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 except for the Court Automation Fund, American Rescue Plan Act Fund, Fire Pension Fund and 2017 Sales and Use Tax Refund Bond Fund.

**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.

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 assigned fund balances at year-end.

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

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

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value at December 31, 2023, is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 307,167	\$ 307,167
Collateralized:		
Collateral held by the City's agent, pledging bank or pledging bank's trust department or agent in the City's name	283,868	309,832
Uncollateralized	160,789	160,789
Total Deposits	\$ 751,824	\$ 777,788

The above total deposits do not include cash on hand of \$300.

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value at December 31, 2022, is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 318,976	\$ 318,976
Collateralized:		
Collateral held by the City's agent, pledging bank or pledging bank's trust department or agent in the City's name	436,952	471,125
Uncollateralized	154,780	154,780
Total Deposits	\$ 910,708	\$ 944,881

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. As of December 31, 2023, and December 31, 2022, \$160,789 and \$154,780, respectively, of the City's bank balances were exposed to custodial credit risk. The balances exposed to custodial credit risk were deposited in money market accounts consisting of federated treasury obligations, which are not insured or collateralized.

**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 CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

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

Pension Trust Funds

State law generally requires that pension funds be deposited in banks. Pension funds may be invested in interest-bearing bonds of the United States, of the State of Arkansas, or of the city in which the board is located, in a local government joint investment trust, in the Arkansas Local Police and Fire Retirement System, or in savings and loan associations duly established and authorized to do business in this state. State law also provides that if the total assets of the pension trust fund exceed \$100,000, the board may employ an investment advisor to invest the assets, subject to terms, conditions, limitations, and restrictions imposed by law upon the Arkansas Local Police and Fire Retirement System.

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2023, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
State aid	\$ 2,084		
Property taxes	26,046	\$ 4,962	
Sales taxes	70,091		\$ 27,260
Fines, forfeitures, and costs			180
Sanitation fees	34,885		
Mosquito fees	26,623		
<b>Totals</b>	<b>\$ 159,729</b>	<b>\$ 4,962</b>	<b>\$ 27,440</b>

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

Description	General Fund	Street Fund	Other Funds in the Aggregate
Property taxes	\$ 8,281	\$ 1,710	\$ 719
Sales taxes	36,763		25,966
Fines, forfeitures, and costs	5,564		305
Interest	7		
Sanitation fees	10,867	1,299	
Mosquito fees	4,354		
<b>Totals</b>	<b>\$ 65,836</b>	<b>\$ 3,009</b>	<b>\$ 26,990</b>

**NOTE 5: Interfund Balances**

Individual fund interfund receivable and payable balances at December 31, 2023, are as follows:

	December 31, 2023	
	Interfund Receivables	Interfund Payables
General Fund		\$ 2,986
Street Fund	\$ 2,986	
<b>Totals</b>	<b>\$ 2,986</b>	<b>\$ 2,986</b>



CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 5: Interfund Balances (Continued)**

Individual fund interfund receivable and payable balances at December 31, 2022, are as follows:

	December 31, 2022	
	Interfund Receivables	Interfund Payables
General Fund		\$ 2,986
Street Fund	\$ 2,986	
Totals	\$ 2,986	\$ 2,986

Interfund receivables and payables consist of errors in depositing restricted revenues and interfund loans. This balance was repaid in 2024.

**NOTE 6: Federal Funds Program Compliance**

The federal grants of the City have not yet received a compliance audit 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.

**NOTE 7: 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	\$ 72,083		
Law enforcement			\$ 24,571
Highways and streets		\$ 178,709	
Airport			63,819
Debt service			187,772
Total Restricted	72,083	178,709	276,162
Committed for:			
General government	133,485		
Unassigned	406,489		
Totals	\$ 612,057	\$ 178,709	\$ 276,162

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 7: Details of Fund Balance Classifications (Continued)**

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

Description	General Fund	Street Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government	\$ 61,538		\$ 336,679
Law enforcement			23,731
Highways and streets		\$ 166,749	
Airport			112,517
Pension benefits			743
Debt service			180,514
Total Restricted	<u>61,538</u>	<u>166,749</u>	<u>654,184</u>
Committed for:			
General government	<u>68,171</u>		
Unassigned	<u>159,701</u>		
Totals	<u>\$ 289,410</u>	<u>\$ 166,749</u>	<u>\$ 654,184</u>

**NOTE 8: 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, 2023, and December 31, 2022, the legal debt limit for the bonded debt was \$5,766,924 and \$5,454,630, respectively. 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, 2023, and December 31, 2022, the legal debt limit for short-term financing obligations was \$1,512,801 and \$1,418,060, respectively. The amount of short-term financing obligations was \$26,188 and \$39,122 leaving a legal debt margin of \$1,486,613 and \$1,378,938, respectively.

**NOTE 9: Commitments**

Total commitments consist of the following at December 31, 2023 and 2022:

	December 31, 2023	December 31, 2022
Long-term liabilities	<u>\$ 791,188</u>	<u>\$ 944,122</u>

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 9: Commitments (Continued)**

Long-term liabilities

Long-term liabilities at December 31, 2023 and 2022, are comprised of the following:

	December 31, 2023	December 31, 2022
<u>Bonds</u>		
Sales and Use Tax Refunding Bonds, Series 2017, dated May 23, 2017, in the amount of \$1,500,000, due in annual installments of \$55,000 - \$160,000 plus interest through January 1, 2028; interest ranging from 1.5% - 3.15%. Payments are to be made from the 2017 Sales and Use Tax Refunding Bond Fund.	<u>\$ 765,000</u>	<u>\$ 905,000</u>
<u>Direct Borrowings</u>		
Financed purchase agreement dated January 21, 2021, with the Bank of England for \$60,000 for the purchase of 2 police cars; 3.25% interest, due in sixty (60) monthly installments of \$1,085. Payments are to be made from the General Fund.	<u>26,188</u>	<u>39,122</u>
Total Long-term liabilities	<u><u>\$ 791,188</u></u>	<u><u>\$ 944,122</u></u>

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

The City's outstanding bonds payable of \$765,000 and \$905,000 at December 31, 2023, and December 31, 2022, respectively, contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the City and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The City's outstanding direct borrowings of \$26,188 and \$39,122 at December 31, 2023, and December 31, 2022, respectively, contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Compensated Absences

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

Post Employment Benefits Other Than Pensions

The amount of any actuarially determined accrued liability for post employment benefits other than pensions was not determined.

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 9: Commitments (Continued)**

Long-Term Debt Issued and Outstanding

<u>Date of Issue</u>	<u>Date of Final Maturity</u>	<u>Rate of Interest</u>	<u>Amount Authorized and Issued</u>	<u>Debt Outstanding December 31, 2023</u>	<u>Maturities to December 31, 2023</u>
<u>Bonds</u>					
5/23/17	1/1/28	1.5 - 3.15%	\$ 1,500,000	\$ 765,000	\$ 735,000
<u>Direct Borrowings</u>					
1/21/21	2/5/26	3.25%	60,000	26,188	33,812
Total Long-Term Debt			<u>\$ 1,560,000</u>	<u>\$ 791,188</u>	<u>\$ 768,812</u>

<u>Date of Issue</u>	<u>Date of Final Maturity</u>	<u>Rate of Interest</u>	<u>Amount Authorized and Issued</u>	<u>Debt Outstanding December 31, 2022</u>	<u>Maturities to December 31, 2022</u>
<u>Bonds</u>					
5/23/17	1/1/28	1.5 - 3.15%	\$ 1,500,000	\$ 905,000	\$ 595,000
<u>Direct Borrowings</u>					
1/21/21	2/5/26	3.25%	60,000	39,122	20,878
Total Long-Term Debt			<u>\$ 1,560,000</u>	<u>\$ 944,122</u>	<u>\$ 615,878</u>

Changes in Long-Term Debt

	<u>Balance January 01, 2023</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance December 31, 2023</u>
Bonds payable	\$ 905,000	\$ 0	\$ 140,000	\$ 765,000
<u>Direct Borrowings</u>				
Financed purchase	39,122	0	12,934	26,188
Total Long-Term Debt	<u>\$ 944,122</u>	<u>\$ 0</u>	<u>\$ 152,934</u>	<u>\$ 791,188</u>
	<u>Balance January 01, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance December 31, 2022</u>
Bonds payable	\$ 1,045,000	\$ 0	\$ 140,000	\$ 905,000
<u>Direct Borrowings</u>				
Financed purchase	62,749	0	23,627	39,122
Total Long-Term Debt	<u>\$ 1,107,749</u>	<u>\$ 0</u>	<u>\$ 163,627</u>	<u>\$ 944,122</u>

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 9: Commitments (Continued)**

Debt Service Requirements to Maturity

The City is obligated for the following amounts at December 31, 2023:

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 145,000	\$ 20,089	\$ 165,089	\$ 12,349	\$ 668	\$ 13,017
2025	150,000	16,586	166,586	12,757	261	13,018
2026	150,000	12,443	162,443	1,082	3	1,085
2027	160,000	7,560	167,560			
2028	160,000	2,520	162,520			
Totals	<u>\$ 765,000</u>	<u>\$ 59,198</u>	<u>\$ 824,198</u>	<u>\$ 26,188</u>	<u>\$ 932</u>	<u>\$ 27,120</u>

The City is obligated for the following amounts at December 31, 2022:

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 140,000	\$ 23,474	\$ 163,474	\$ 12,934	\$ 1,169	\$ 14,103
2024	145,000	20,089	165,089	12,349	668	13,017
2025	150,000	16,586	166,586	12,757	261	13,018
2026	150,000	12,443	162,443	1,082	3	1,085
2027	160,000	7,560	167,560			
2028	160,000	2,520	162,520			
Totals	<u>\$ 905,000</u>	<u>\$ 82,672</u>	<u>\$ 987,672</u>	<u>\$ 39,122</u>	<u>\$ 2,101</u>	<u>\$ 41,223</u>

**NOTE 10: Interfund Transfers**

In 2023 and 2022, the Other Funds in the Aggregate transferred \$160,308 and \$158,780, respectively to the General Fund for excess sales taxes. Additionally, in 2023 the General Fund transferred \$24,271 to the Street Fund for fiscal year 2021 sales taxes.

**NOTE 11: Pledged Revenues**

The City pledged future .875% sales and use taxes to repay \$1,500,000 in bonds that were issued in 2017 to refund bonds issued in 2012 for street improvements and construction of a new law enforcement complex. Total principal and interest remaining on the bonds as of December 31, 2023, are \$765,000 and \$59,198, respectively, and the total principal and interest remaining on the bonds as of December 31, 2022, are \$905,000 and \$82,672, respectively, payable through January 1, 2028. For 2023, principal and interest paid were \$140,000 and \$23,474, respectively and for 2022, principal and interest paid were \$140,000 and \$26,536, respectively.

The Debt Service Fund received \$329,068 and \$326,672 in sales taxes in 2023 and 2022, respectively. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for any lawful purpose.

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 12: Jointly Governed Organization**

Pursuant to Act 752 of the Acts of Arkansas of 1991, the Central Arkansas Regional Solid Waste Management District and Board were organized to protect the public health and environmental quality for its service area by establishing a regional solid waste management system in the Arkansas Counties of Lonoke, Prairie, and Monroe. The District's board of directors is composed in accordance with the requirements of the Act and is comprised of representatives of the Counties in the District and representatives of all first-class cities, of all cities with a population over 2,000, and of the largest city of each county in the District. The City made no contributions to or disbursements on behalf of the Central Arkansas Regional Solid Waste Management District in 2023 or 2022. Separate financial statements of the Central Arkansas Regional Solid Waste Management District are available at 215 South Court, Carlisle, Arkansas 72024.

**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.

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 13: Risk Management (Continued)**

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.

**NOTE 14: Firemen's Pension and Relief Plan**

Plan Description

The Firemen's Pension and Relief Plan is a single-employer defined benefit pension plan that covers municipal firemen employed prior to January 1, 1983. The plan, administered by the City, provides retirement, disability, and survivor benefits. Benefit and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. State law does provide that upon actuarial soundness of the plan, the Board may increase retirement benefits. The plan was closed to new entrants on January 1, 1983. The plan does not issue a stand-alone financial report but is included in the City's financial report.

Contributions

Active participants of the plan are required to make contributions of not less than 6% of their salary to the plan. Active volunteer firemen are required to make contributions of \$12 per year. The City is required by state law to contribute an amount equal to but not less than 6% of the participant's salary and an amount equal to the contribution paid by any volunteer fireman. The plan is also funded with state insurance tax and property tax on real estate and personal property. If the funds in the plan should be insufficient to make full payment of the amount of pensions to all persons entitled, then the funds shall be prorated among those entitled by the proper authorities as may be deemed just and equitable. The City's contribution to the plan was \$0 for the years ended December 31, 2023 and 2022. The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the City's net pension liability. An actuarial valuation was not prepared, the funds were transferred to LOPFI on December 15, 2022.

Deferred Retirement Option Plan

The local firemen's pension and relief board of trustees approved the participation in the Arkansas Fire Fighter's Deferred Retirement Option Plan (DROP). Any full-paid fire fighter who is a member of the firemen's pension and relief fund who has at least 20 years of credited service and who is eligible to receive a service retirement pension may elect to participate in the plan. The duration of participation shall not exceed 5 years, except in certain circumstances as allowed by law.

When a member begins participation in the DROP, the contribution of the fire fighter and the employer contribution shall continue to be paid. Municipal matching contributions for employees who elect the DROP shall be credited equally to the firemen's pension and relief fund and to the deferred retirement plan. The monthly retirement benefits that would have been due had the member elected to cease employment and receive a service retirement shall be paid into the DROP account.

At the end of the five years, the participant has certain options regarding the method of payment.

At the conclusion of the member's participation, the member shall terminate employment with all participating municipalities as a fire fighter and start receiving the member's accrued monthly retirement benefit from the firemen's pension and relief fund.

CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 15: 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 December 15, 2022, administration of the City of Carlisle 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 \$57,714 and \$48,125 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$31,291 and \$30,433 for the years ended December 31, 2023, and December 31, 2022, respectively.

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, and December 31, 2022, (actuarial valuation date and measurement date) was \$502,927 and \$658,314, respectively.

**NOTE 16: 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).

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% and 5.25% as of July 1, 2023, and July 1, 2022, respectively. 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 years ended June 30, 2023, and June 30, 2022, respectively was \$113,538 and \$105,832, respectively.



CITY OF CARLISLE, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2023 AND 2022

**NOTE 16: Arkansas Public Employees Retirement System (Continued)**

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, and June 30, 2022, (actuarial valuation date and measurement date) was \$974,429 and \$891,117, respectively.

**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 \$446,685 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$446,685 of this amount has been received. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

**NOTE 18: Insurance Proceeds**

During 2023, the City received insurance proceeds of \$114,353 to cover the loss of a 2002 Kentworth fire truck involved in an accident on November 9, 2021.

CITY OF CARLISLE, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2023

Schedule 1

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUND	CUSTODIAL FUNDS		Totals
	Airport	Court Automation	2017 Sales and Use Tax Refunding Bond	District Court	Small Claims / Civil Court	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 63,542	\$ 24,391	\$ 160,789	\$ 10,286	\$ 170	\$ 259,178
Accounts receivable	277	180	26,983			27,440
<b>TOTAL ASSETS</b>	<u>\$ 63,819</u>	<u>\$ 24,571</u>	<u>\$ 187,772</u>	<u>\$ 10,286</u>	<u>\$ 170</u>	<u>\$ 286,618</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Settlements pending				\$ 10,286	\$ 170	\$ 10,456
Fund Balances:						
Restricted	\$ 63,819	\$ 24,571	\$ 187,772			276,162
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 63,819</u>	<u>\$ 24,571</u>	<u>\$ 187,772</u>	<u>\$ 10,286</u>	<u>\$ 170</u>	<u>\$ 286,618</u>

CITY OF CARLISLE, 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

Schedule 2

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUND	TRUST FUND	Totals
	Airport	Court Automation	American Rescue Plan Act	2017 Sales and Use Tax Refunding Bond	Firemen's Pension	
<b>REVENUES</b>						
State aid	\$ 248,395					\$ 248,395
Sales taxes	3,580			\$ 329,068		332,648
Fines, forfeitures, and costs		\$ 2,259				2,259
Interest	2,213	360	\$ 32	3,622	\$ 18	6,245
Farm rent	37,100					37,100
Fuel sales	142,511					142,511
Hangar rent	61,341					61,341
Other	73,960					73,960
<b>TOTAL REVENUES</b>	<b>569,100</b>	<b>2,619</b>	<b>32</b>	<b>332,690</b>	<b>18</b>	<b>904,459</b>
<b>EXPENDITURES</b>						
Current:						
Law enforcement		1,779				1,779
Public safety			336,711		761	337,472
Airport	617,798					617,798
Total Current	617,798	1,779	336,711		761	957,049
Debt Service:						
Bond principal				140,000		140,000
Bond interest and other charges				25,124		25,124
<b>TOTAL EXPENDITURES</b>	<b>617,798</b>	<b>1,779</b>	<b>336,711</b>	<b>165,124</b>	<b>761</b>	<b>1,122,173</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(48,698)</b>	<b>840</b>	<b>(336,679)</b>	<b>167,566</b>	<b>(743)</b>	<b>(217,714)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out				(160,308)		(160,308)
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(48,698)</b>	<b>840</b>	<b>(336,679)</b>	<b>7,258</b>	<b>(743)</b>	<b>(378,022)</b>
FUND BALANCES - JANUARY 1,	112,517	23,731	336,679	180,514	743	654,184
FUND BALANCES - DECEMBER 31	\$ 63,819	\$ 24,571	\$ 0	\$ 187,772	\$ 0	\$ 276,162

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

Schedule 3

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUND	TRUST FUND	CUSTODIAL FUNDS		Totals
	Airport	Court Automation	American Rescue Plan Act	2017 Sales and Use Tax Refunding Bond	Firemen's Pension	District Court	Small Claims / Civil Court	
<b>ASSETS</b>								
Cash and cash equivalents	\$ 112,285	\$ 23,426	\$ 336,679	\$ 154,780	\$ 24	\$ 12,199	\$ 409	\$ 639,802
Accounts receivable	232	305		25,734	719			26,990
<b>TOTAL ASSETS</b>	<u>\$ 112,517</u>	<u>\$ 23,731</u>	<u>\$ 336,679</u>	<u>\$ 180,514</u>	<u>\$ 743</u>	<u>\$ 12,199</u>	<u>\$ 409</u>	<u>\$ 666,792</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Settlements pending						\$ 12,199	\$ 409	\$ 12,608
Fund Balances:								
Restricted	\$ 112,517	\$ 23,731	\$ 336,679	\$ 180,514	\$ 743			654,184
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 112,517</u>	<u>\$ 23,731</u>	<u>\$ 336,679</u>	<u>\$ 180,514</u>	<u>\$ 743</u>	<u>\$ 12,199</u>	<u>\$ 409</u>	<u>\$ 666,792</u>

CITY OF CARLISLE, 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 4

	SPECIAL REVENUE FUNDS			DEBT SERVICE FUND	TRUST FUND	Totals
	Airport	Court Automation	American Rescue Plan Act	2017 Sales and Use Tax Refunding Bond	Firemen's Pension	
REVENUES						
State aid					\$ 5,495	\$ 5,495
Federal aid	\$ 799,523		\$ 223,340			1,022,863
Property taxes					10,731	10,731
Sales taxes	3,249			\$ 326,672		329,921
Fines, forfeitures, and costs		\$ 2,649				2,649
Interest	245	18	196	1,089	1,232	2,780
Farm rent	37,100					37,100
Fuel sales	131,802					131,802
Hangar rent	97,776					97,776
Net increase/(decrease) in fair value of investments					(13,339)	(13,339)
Other	1,676				19,831	21,507
<b>TOTAL REVENUES</b>	<b>1,071,371</b>	<b>2,667</b>	<b>223,536</b>	<b>327,761</b>	<b>23,950</b>	<b>1,649,285</b>
EXPENDITURES						
Current:						
General government			19,207			19,207
Law enforcement		2,710				2,710
Public safety					183,539	183,539
Airport	997,778					997,778
<b>Total Current</b>	<b>997,778</b>	<b>2,710</b>	<b>19,207</b>		<b>183,539</b>	<b>1,203,234</b>
Debt Service:						
Bond principal				140,000		140,000
Bond interest and other charges				28,186		28,186
<b>TOTAL EXPENDITURES</b>	<b>997,778</b>	<b>2,710</b>	<b>19,207</b>	<b>168,186</b>	<b>183,539</b>	<b>1,371,420</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>73,593</b>	<b>(43)</b>	<b>204,329</b>	<b>159,575</b>	<b>(159,589)</b>	<b>277,865</b>
OTHER FINANCING SOURCES (USES)						
Transfers out				(158,780)		(158,780)
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>73,593</b>	<b>(43)</b>	<b>204,329</b>	<b>795</b>	<b>(159,589)</b>	<b>119,085</b>
FUND BALANCES - JANUARY 1	38,924	23,774	132,350	179,719	160,332	535,099
FUND BALANCES - DECEMBER 31	\$ 112,517	\$ 23,731	\$ 336,679	\$ 180,514	\$ 743	\$ 654,184

CITY OF CARLISLE, ARKANSAS  
NOTES TO SCHEDULES 1 THROUGH 4  
DECEMBER 31, 2023 AND 2022

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

<u>Fund Name</u>	<u>Fund Description</u>
Airport	Ark. Code Ann. § 14-361-116 established fund to receive revenues obtained by a municipality from the ownership, control, or operation of any airport or air navigation facility, including proceeds from the sale of any airport or portion thereof or air navigation facility property. The revenues shall be used solely for airport purposes.
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.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLRF), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.
2017 Sales and Use Tax Refunding Bond	Established to refund 2012 Sales and Use Tax Bond and receive sales tax receipts and maintain principal and interest payments of bonds authorized in Carlisle Ordinance no. 314 (May 16, 2017).
Firemen's Pension	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.
Small Claims / Civil Court	Ark. Code Ann. § 16-17-707 established account to receive fees relating to small claims and civil case filings.

CITY OF CARLISLE, ARKANSAS  
 OTHER INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 DECEMBER 31, 2023 AND 2022  
 (Unaudited)

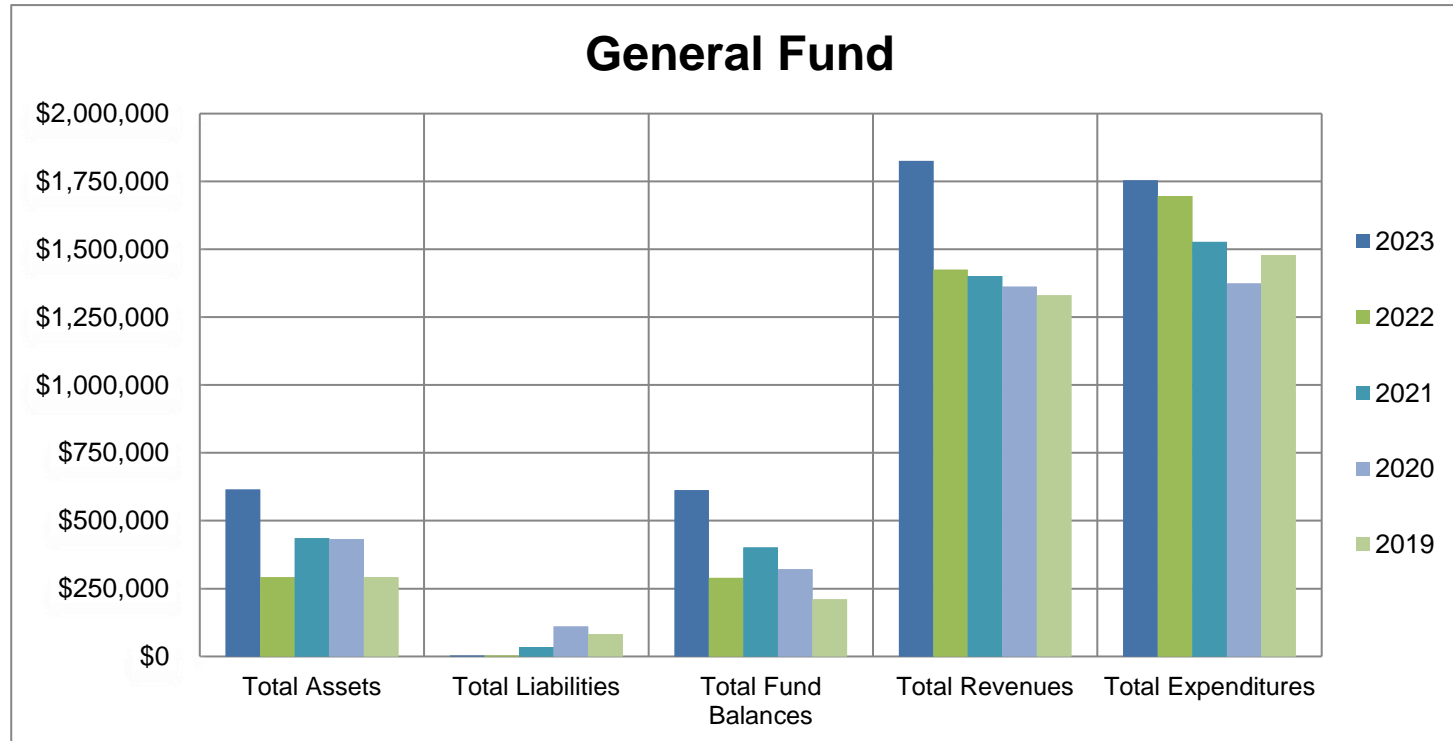
Schedule 5

	December 31, 2023	December 31, 2022
Land	\$ 117,944	\$ 117,944
Buildings	5,157,541	5,157,541
Equipment	3,041,610	3,041,610
Totals	\$ 8,317,095	\$ 8,317,095

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

Schedule 6-1

<u>General</u>	2023	2022	2021	2020	2019
Total Assets	\$ 615,043	\$ 292,396	\$ 435,746	\$ 432,154	\$ 292,338
Total Liabilities	2,986	2,986	34,374	110,316	82,319
Total Fund Balances	612,057	289,410	401,372	321,838	210,019
Total Revenues	1,825,624	1,425,001	1,400,902	1,362,489	1,330,739
Total Expenditures	1,753,367	1,695,743	1,526,941	1,373,942	1,479,263
Total Other Financing Sources/Uses	250,390	158,780	205,573	123,272	119,514

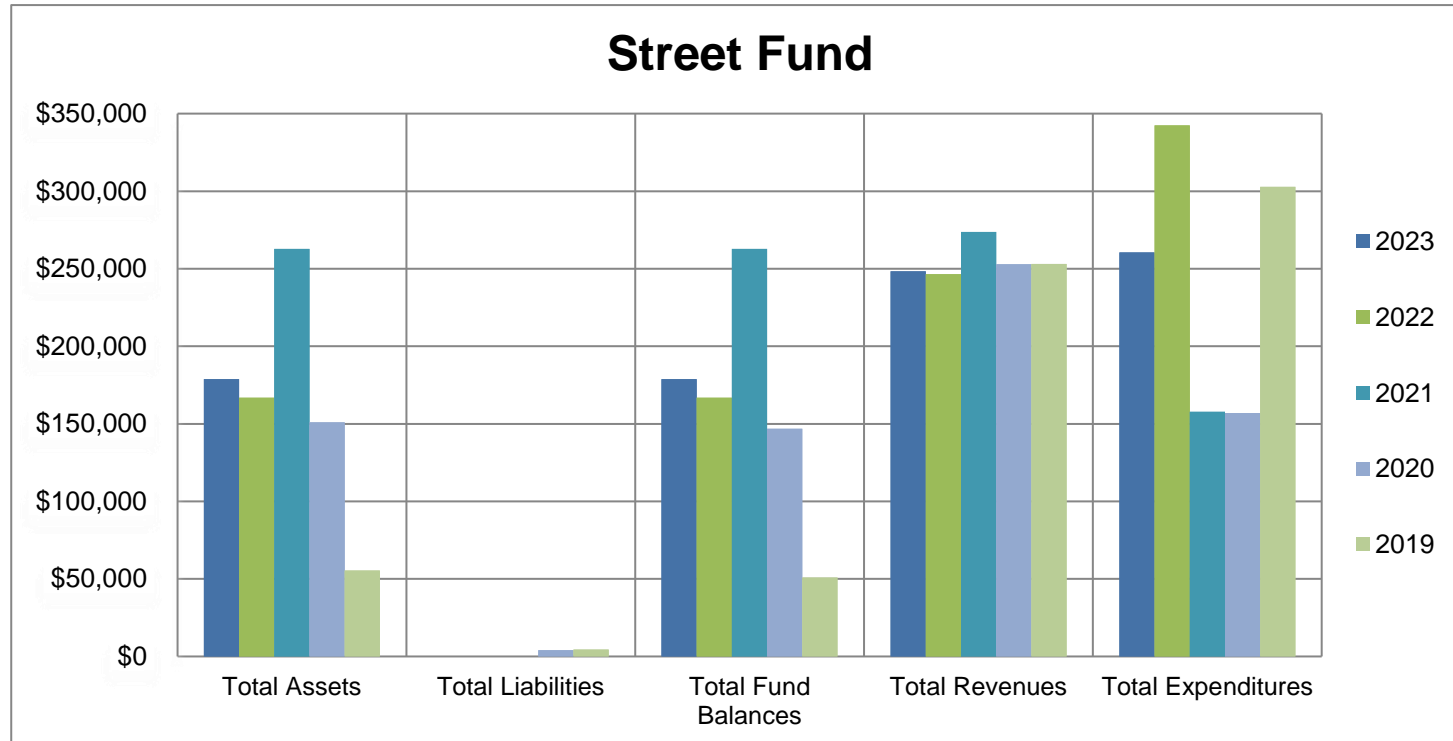




CITY OF CARLISLE, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - STREET FUND - REGULATORY BASIS  
 DECEMBER 31, 2023  
 (Unaudited)

Schedule 6-2

<u>Street</u>	2023	2022	2021	2020	2019
Total Assets	\$ 178,709	\$ 166,749	\$ 262,752	\$ 150,856	\$ 55,418
Total Liabilities				4,071	4,535
Total Fund Balances	178,709	166,749	262,752	146,785	50,883
Total Revenues	248,221	246,490	273,693	252,878	253,132
Total Expenditures	260,532	342,493	157,726	156,976	302,702
Total Other Financing Sources/Uses	24,271				



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

Schedule 6-3

<u>Other Funds in the Aggregate</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Assets	\$ 286,618	\$ 666,792	\$ 546,450	\$ 550,889	\$ 618,591
Total Liabilities	10,456	12,608	11,351	24,937	29,042
Total Fund Balances	276,162	654,184	535,099	525,952	589,549
Total Revenues	904,459	1,649,285	1,134,199	904,898	732,191
Total Expenditures	1,122,173	1,371,420	1,327,156	1,017,223	1,029,545
Total Other Financing Sources/Uses	(160,308)	(158,780)	202,104	48,728	348,680

