

City of Ward, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Financial and Compliance Report

	<u>Exhibit</u>
Balance Sheet – Regulatory Basis (Unaudited)	A
Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis (Unaudited)	B
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General and Street Funds – Regulatory Basis (Unaudited)	C

SUPPLEMENTARY INFORMATION

	<u>Schedule</u>
Combining Balance Sheet – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	2
Notes to Schedules 1 and 2	
Other General Information	
Schedule of Selected Information for the Last Two Years – General Fund – Regulatory Basis (Unaudited)	3-1
Schedule of Selected Information for the Last Two Years – Street Fund – Regulatory Basis (Unaudited)	3-2
Schedule of Selected Information for the Last Two Years – Other Funds in the Aggregate – Regulatory Basis (Unaudited)	3-3

Arkansas

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Senate Chair
Sen. John Payton
Senate Vice Chair



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House Chair
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House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Ward, 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 Ward, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated August 30, 2023. These procedures were not performed for the Water and Sewer Fund. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

Mayor: Charles Gastineau
City Clerk: Krystal "Nicci" Rummel
Finance Director: Courtney Ruble
District Court Clerk: Elizabeth Glover
Police Chief: Steve Benton

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 office of the **Mayor**.

Mayor

Expenditures exceeded budgeted appropriations for the General Fund by \$401,997 (14%), in noncompliance with Ark. Code Ann. § 14-58-203.

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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
August 30, 2023
LOM119022

CITY OF WARD, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2022
(UNAUDITED)

Exhibit A

	General	Street	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	\$ 2,042,606	\$ 586,220	\$ 1,475,950
Accounts receivable	208,685		
	TOTAL ASSETS	\$ 586,220	\$ 1,475,950
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 72,902	\$ 6,401	
Settlements pending			\$ 57,270
Total Liabilities	72,902	6,401	57,270
Fund Balances:			
Restricted		489,819	\$ 1,418,680
Committed	327,637		
Assigned	315,031	90,000	
Unassigned	1,535,721		
Total Fund Balances	2,178,389	579,819	1,418,680
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,251,291	\$ 586,220	\$ 1,475,950

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

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

Exhibit B

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 382,894	\$ 522,509	
Federal aid			\$ 855,034
Property taxes	304,989	52,981	
Franchise fees	288,353		
Sales taxes	1,852,508		
Fines, forfeitures, and costs	173,192		
Interest	7,629	2,201	5,938
Local permits and fees	76,044		
Fire dues	8,950		
Park fees	13,688		
Other	198,506	486	
	<u>3,306,753</u>	<u>578,177</u>	<u>860,972</u>
TOTAL REVENUES			
EXPENDITURES			
Current:			
General government	1,105,621		
Law enforcement	1,409,575		
Highways and streets		386,119	
Public safety	438,405		
Health	20,000		
Recreation and culture	173,195		
	<u>3,146,796</u>	<u>386,119</u>	
TOTAL EXPENDITURES			
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>159,957</u>	<u>192,058</u>	<u>860,972</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		90,000	
Transfers out	(90,000)		
	<u>(90,000)</u>	<u>90,000</u>	
TOTAL OTHER FINANCING SOURCES (USES)			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	69,957	282,058	860,972
FUND BALANCES - JANUARY 1	<u>2,108,432</u>	<u>297,761</u>	<u>557,708</u>
FUND BALANCES - DECEMBER 31	<u>\$ 2,178,389</u>	<u>\$ 579,819</u>	<u>\$ 1,418,680</u>

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

CITY OF WARD, 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
(UNAUDITED)

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 248,000	\$ 382,894	\$ 134,894	\$ 325,000	\$ 522,509	\$ 197,509
Property taxes	278,500	304,989	26,489	50,000	52,981	2,981
Franchise fees	206,500	288,353	81,853			
Sales taxes	1,480,000	1,852,508	372,508			
Fines, forfeitures, and costs	143,500	173,192	29,692			
Interest	8,000	7,629	(371)		2,201	2,201
Local permits and fees	48,800	76,044	27,244			
Fire dues	9,000	8,950	(50)			
Park fees	117,000	13,688	(103,312)			
Other	141,300	198,506	57,206	45,000	486	(44,514)
TOTAL REVENUES	2,680,600	3,306,753	626,153	420,000	578,177	158,177
EXPENDITURES						
Current:						
General government	712,300	1,105,621	(393,321)			
Law enforcement	1,386,100	1,409,575	(23,475)			
Highways and streets				691,300	386,119	305,181
Public safety	454,500	438,405	16,095			
Health		20,000	(20,000)			
Recreation and culture	191,900	173,195	18,705			
TOTAL EXPENDITURES	2,744,800	3,146,796	(401,996)	691,300	386,119	305,181
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(64,200)	159,957	224,157	(271,300)	192,058	463,358
OTHER FINANCING SOURCES (USES)						
Transfers in				90,000	90,000	0
Transfers out	(90,000)	(90,000)	0			
TOTAL OTHER FINANCING SOURCES (USES)	(90,000)	(90,000)	0	90,000	90,000	0
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(154,200)	69,957	224,157	(181,300)	282,058	463,358
FUND BALANCES - JANUARY 1	2,310,000	2,108,432	(201,568)	320,000	297,761	(22,239)
FUND BALANCES - DECEMBER 31	\$ 2,155,800	\$ 2,178,389	\$ 22,589	\$ 138,700	\$ 579,819	\$ 441,119

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

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

	<u>SPECIAL REVENUE FUNDS</u>		<u>CUSTODIAL FUNDS</u>		<u>Totals</u>
	<u>American Rescue Plan Act</u>	<u>County American Rescue Plan Act</u>	<u>District Court</u>	<u>Payroll</u>	
ASSETS					
Cash and cash equivalents	<u>\$ 1,118,374</u>	<u>\$ 300,306</u>	<u>\$ 14,705</u>	<u>\$ 42,565</u>	<u>\$ 1,475,950</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Settlements pending			<u>\$ 14,705</u>	<u>\$ 42,565</u>	<u>\$ 57,270</u>
Fund Balances:					
Restricted	<u>\$ 1,118,374</u>	<u>\$ 300,306</u>			<u>1,418,680</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,118,374</u>	<u>\$ 300,306</u>	<u>\$ 14,705</u>	<u>\$ 42,565</u>	<u>\$ 1,475,950</u>

CITY OF WARD, 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

	SPECIAL REVENUE FUNDS		
	American Rescue Plan Act	County American Rescue Plan Act	Totals
REVENUES			
Federal aid	\$ 555,034	\$ 300,000	\$ 855,034
Interest	5,632	306	5,938
	560,666	300,306	860,972
TOTAL REVENUES	560,666	300,306	860,972
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	560,666	300,306	860,972
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	560,666	300,306	860,972
FUND BALANCES - JANUARY 1	557,708		557,708
FUND BALANCES - DECEMBER 31	\$ 1,118,374	\$ 300,306	\$ 1,418,680

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

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

<u>Fund Name</u>	<u>Fund Description</u>
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.
County 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, passed through from Lonoke County to support the purchase of RFID City Water Meters.
District Court	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.
Payroll	Established to facilitate payment of payroll expenditures and related tax liabilities.

CITY OF WARD, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022

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 Funds presented on Schedule 1 are reported with other funds in the aggregate.

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.

CITY OF WARD, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022

1: (Continued)

B. Basis of Accounting – Regulatory (Continued)

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 expenditure/function code of the applicable opinion unit.

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

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

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. 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.
4. 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.

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.

CITY OF WARD, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022

1: (Continued)

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 except for the County American Rescue Plan Act Fund.

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.

CITY OF WARD, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022

2. Details of Fund Balance Classifications

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

Description	General Fund	Street Fund	Other Funds in the Aggregate
Fund Balances			
Restricted for:			
General government			\$ 1,418,680
Highways and streets		\$ 489,819	
Total Restricted		<u>489,819</u>	<u>1,418,680</u>
Committed for:			
Public safety	\$ 327,637		
Assigned to:			
Law enforcement	122,890		
Highways and streets		90,000	
Public safety	58,050		
Recreation and culture	134,091		
Total Assigned	<u>315,031</u>	<u>90,000</u>	
Unassigned	<u>1,535,721</u>		
Totals	<u>\$ 2,178,389</u>	<u>\$ 579,819</u>	<u>\$ 1,418,680</u>

3. Commitments

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

	December 31, 2022
Long-term liabilities	<u>\$ 128,704</u>

Long-term liabilities

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

	December 31, 2022
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost.	<u>\$ 128,704</u>

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

4. Interfund Transfers

The General Fund transferred \$90,000 to the Street Fund to supplement street and highway expenditures.

5. Subsequent Events

On January 11, 2023, the City signed a contract with Core and Main in the amount of \$1,789,673 for replacement of water meters.

CITY OF WARD, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022

**6. 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.

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 \$104,296 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$59,776 for the year ended December 31, 2022.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the City's share of the collective net pension liability. The City's proportionate share of the collective net pension liability at December 31, 2022, (actuarial valuation date and measurement date) was \$1,653,485.

7. 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 5.25% as of July 1, 2022. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system, based on the annual actuarial valuation. The City's contribution to the plan was \$182,318 for the year ended June 30, 2022.

CITY OF WARD, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2022

7. 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, 2022, (actuarial valuation date and measurement date) was \$1,535,136.

8. Clerk/Treasurer Retirement Benefits

Plan Description

Ark. Code Ann. § 24-12-121 establishes retirement benefits for clerk/treasurers 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 a monthly retirement benefit during the remainder of their natural life, a sum equal to one-half (1/2) of the monthly salary received during the last preceding year of service. Retirement benefits are to be paid from the City's General Fund. A clerk/treasurer may retire: 1.) upon reaching the age of 60 with a minimum of 10 years of service or 2) upon serving 20 years, regardless of age. The City paid former Clerk/Treasurer John Barclay \$9,541 for the year ended December 31, 2022.

9. Capital Assets

The Municipality's capital assets records are summarized below:

	December 31, 2022
Land	\$ 195,903
Buildings	334,006
Equipment	<u>2,127,045</u>
Total	<u>\$ 2,656,954</u>

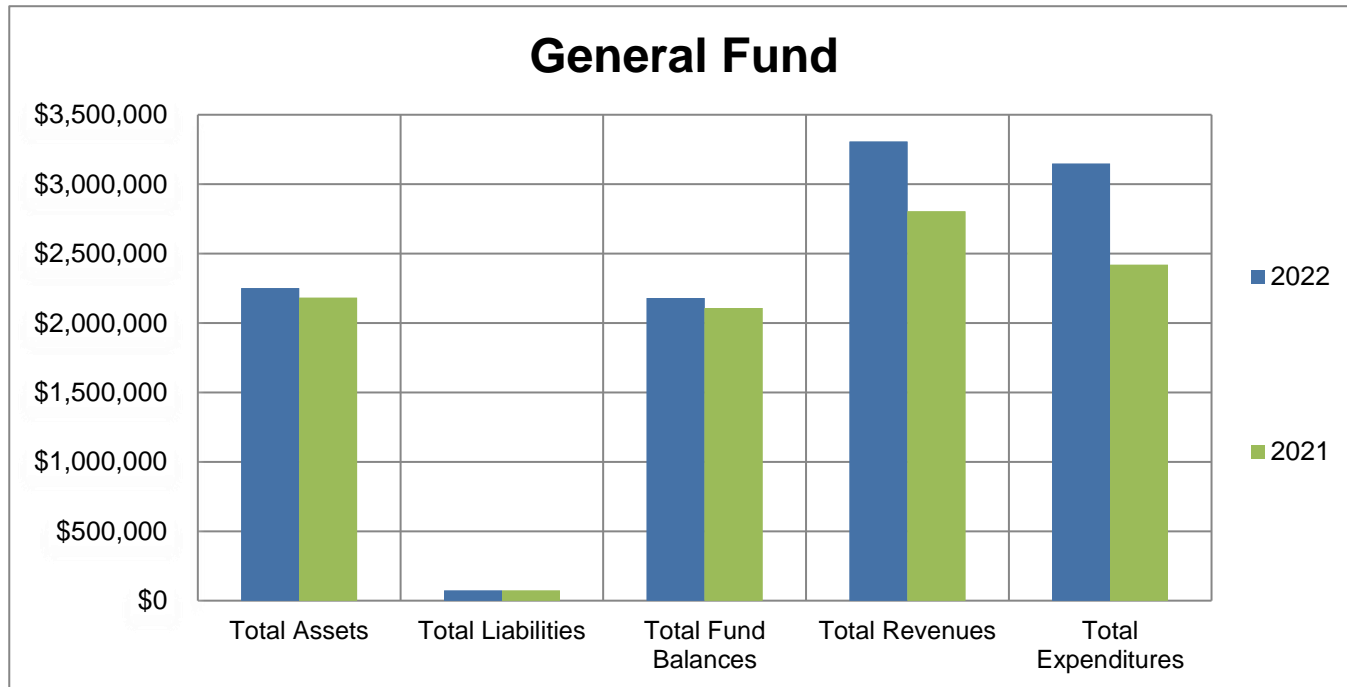
10. Corona Virus (COVID-19)

On March 11, 2020, the Governor of Arkansas issued Executive Order 20-03 declaring an emergency and ordered Arkansas Department of Health to take action to prevent the spread of coronavirus disease 2019 (COVID-19). In 2021, the City was awarded \$1,110,081 in federal aid from the American Rescue Plan Act of 2021, and as of the report date, \$1,110,075 of this amount has been received. Additionally, the City received \$300,000 in American Rescue Plan Act funds from Lonoke County in 2022. The extent of the impact of COVID-19 on financial statements for future reporting periods remains uncertain.

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

Schedule 3-1

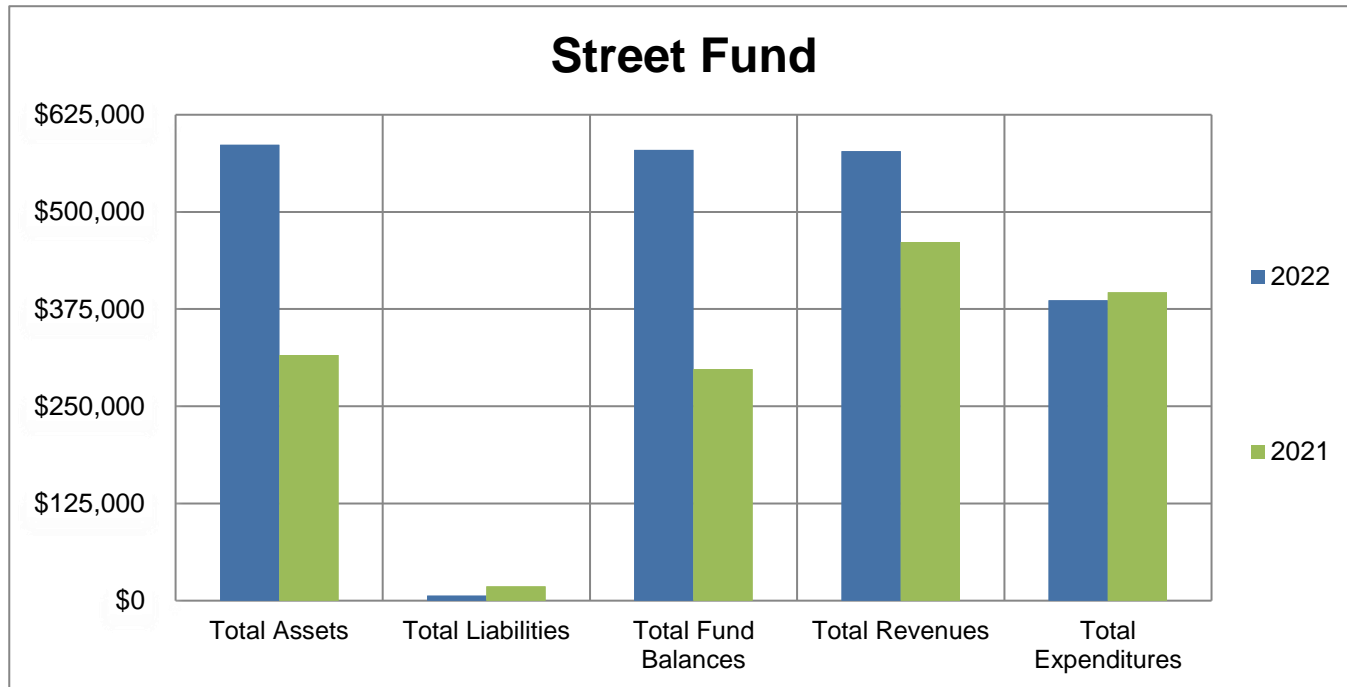
<u>General</u>	<u>2022</u>	<u>2021</u>
Total Assets	\$ 2,251,291	\$ 2,180,748
Total Liabilities	72,902	72,316
Total Fund Balances	2,178,389	2,108,432
Total Revenues	3,306,753	2,804,556
Total Expenditures	3,146,796	2,418,416
Total Other Financing Sources/Uses	(90,000)	



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

Schedule 3-2

<u>Street</u>	<u>2022</u>	<u>2021</u>
Total Assets	\$ 586,220	\$ 315,912
Total Liabilities	6,401	18,151
Total Fund Balances	579,819	297,761
Total Revenues	578,177	461,277
Total Expenditures	386,119	396,763
Total Other Financing Sources/Uses	90,000	



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2022</u>	<u>2021</u>
Total Assets	\$ 1,475,950	\$ 590,593
Total Liabilities	57,270	32,885
Total Fund Balances	1,418,680	557,708
Total Revenues	860,972	557,708

