City of Pine Bluff, Arkansas

Regulatory Basis Financial Statements
and Other Reports

December 31, 2016

LEGISLATIVE JOINT AUDITING COMMITTEE

CITY OF PINE BLUFF, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2016

Arkansas

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LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying regulatory basis financial statements of the general fund, street fund, and other funds in the aggregate of the City of Pine Bluff, Arkansas, as of and for the year ended December 31, 2016, and the related notes to the financial statements as listed in the table of contents.

Management's Responsibility 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 misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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.

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" paragraph, the 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 City of Pine Bluff, Arkansas, as of December 31, 2016, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the 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 Pine Bluff, Arkansas, as of December 31, 2016, the regulatory basis revenues, expenditures, and changes in net position, and the budgetary comparisons for the general fund and street fund for the year then ended in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

Emphasis of Matter

As discussed in Note 4 to the financial statements, in 2016 the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application.* Our opinions are not modified with respect to this matter.

As discussed in Note 1 to the financial statements, the City would have included some funds under accounting principles generally accepted in the United States of America (GAAP) as established by the *Government 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.

Other Matters

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the accompanying regulatory basis financial statements. The accompanying supplementary information and other information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information 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.

The other information has not been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT

Roger Norman

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

Little Rock, Arkansas
June 1, 2017
LOM107616

Arkansas

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LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

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

INDEPENDENT AUDITOR'S REPORT

City of Pine Bluff, 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 accompanying regulatory basis financial statements of the general fund, street fund, and other funds in the aggregate of the City of Pine Bluff, Arkansas, as of and for the year ended December 31, 2016, and the related notes to the financial statements, and have issued our report thereon dated June 1, 2017. 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.

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) to determine the 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

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Other Issues

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

The commentary contained in this section relates to the following officials that held office during 2016:

Mayor: Debe Hollingsworth
City Collector: Sharon Johnson
Finance Director: Steve Miller
City Clerk: Loretta Whitefield
District Court Clerk (Division 1): Debbie Drake
District Court Clerk (Division 2): Veronica Young
Police Chief: Jeff Hubanks
Parks and Recreation Director: April Layher

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

Our audit procedures indicated that the offices of **Mayor, City Collector, Finance Director, City Clerk, District Court Clerk (Division 1), District Court Clerk (Division 2),** and **Police Chief** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the office of **Parks and Recreation Director**.

Parks and Recreation Director

Review of Parks and Recreation Department credit card transactions revealed $1,431 in undocumented charges, $420 in finance charges and late payment fees, and $206 in fuel purchases for the Parks Director's personal vehicle. In addition, the Parks Director received an undocumented reimbursement of $79.

No bids were taken for a $27,000 equipment purchase, in noncompliance with Ark. Code Ann. § 14-58-303.

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 result 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

Marti Steel

Marti Steel, CPA
Deputy Legislative Auditor

Little Rock, Arkansas
June 1, 2017

CITY OF PINE BLUFF, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2016

Exhibit A

	General	Street	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	$ 6,370,218	$ 1,539,412	$ 16,955,568
Investments			41,017,560
Accounts receivable	1,419,895	37,671	740,707
Interfund receivables	648,933		135,245
TOTAL ASSETS	$ 8,439,046	$ 1,577,083	$ 58,849,080
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 904,687	$ 50,968	$ 44,491
Interfund payables	127,745	23,164	633,269
Settlements pending			221,203
Total Liabilities	1,032,432	74,132	898,963
Fund Balances:			
Nonspendable			492,700
Restricted	423,994	1,128,178	51,826,247
Committed			5,389,351
Assigned	50,208	374,773	299,128
Unassigned	6,932,412		(57,309)
Total Fund Balances	7,406,614	1,502,951	57,950,117
TOTAL LIABILITIES AND FUND BALANCES	$ 8,439,046	$ 1,577,083	$ 58,849,080

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

CITY OF PINE BLUFF, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

Exhibit B

	General	Street	Other Funds in the Aggregate
REVENUES			
State aid	$ 1,893,334	$ 3,242,337	$ 561,133
Federal aid	1,100		1,923,367
Property taxes	2,835,187	569,019	370,966
Franchise fees	2,572,113		472,304
Sales taxes	16,262,371		1,195,813
Fines, forfeitures, and costs	641,613		357,763
Interest	47,984	3,769	1,014,370
Local permits and fees	1,174,526		88,929
Sanitation fees	2,752,796		
Transit fees			43,656
Parks and recration fees	189,555		
Empoyer contribution			530,112
Employee contribution			227,161
Donations			586,422
Net increase (decrease) in the fair value of investments			1,711,653
Other	468,442	87,657	316,020
TOTAL REVENUES	28,839,021	3,902,782	9,399,669
EXPENDITURES			
Current:			
General government	4,912,755		3,416,403
Law enforcement	12,063,253		2,581,599
Highways and streets	82,987	3,175,779	249,874
Public safety	6,965,745		16,759
Sanitation	2,575,038		10,938
Health	52,800		
Recreation and culture	2,012,946		556,390
Social services	372,158		4,949
Transit			971,244
Airport	131,935		
Total Current	29,169,617	3,175,779	7,808,156
Debt Service:			
Bond principal			980,000
Bond interest and other charges			614,300
Note principal	118,950		86,854
Note interest	3,454		4,914
TOTAL EXPENDITURES	29,292,021	3,175,779	9,494,224

Exhibit B

CITY OF PINE BLUFF, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

	General	Street	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ (453,000)	$ 727,003	$ (94,555)
OTHER FINANCING SOURCES (USES)			
Transfers in	93,066	66,149	575,321
Transfers out	(136,218)	(255,490)	(342,828)
Loan proceeds	111,685		
Contributions from civic auditorium complex commission	110,420		
Bond proceeds			9,885,000
TOTAL OTHER FINANCING SOURCES (USES)	178,953	(189,341)	10,117,493
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(274,047)	537,662	10,022,938
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	7,680,661	965,289	43,651,874
Restatement adjustment (Note14)			4,275,305
FUND BALANCES - JANUARY 1, AS RESTATED	7,680,661	965,289	47,927,179
FUND BALANCES - DECEMBER 31	$ 7,406,614	$ 1,502,951	$ 57,950,117

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

CITY OF PINE BLUFF, 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, 2016

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	$ 1,558,825	$ 1,893,334	$ 334,509	$ 2,296,000	$ 3,242,337	$ 946,337
Federal aid	1,000	1,100	100			
Property taxes	2,219,814	2,835,187	615,373	550,000	569,019	19,019
Franchise fees	3,148,000	2,572,113	(575,887)			
Sales taxes	17,354,828	16,262,371	(1,092,457)	954,000		(954,000)
Fines, forfeitures, and costs	632,468	641,613	9,145			
Interest	47,890	47,984	94	2,500	3,769	1,269
Local permits and fees	1,201,750	1,174,526	(27,224)			
Sanitation fees	2,752,873	2,752,796	(77)			
Parks and recration fees		189,555	189,555			
Other	335,375	468,442	133,067	162,600	87,657	(74,943)
TOTAL REVENUES	29,252,823	28,839,021	(413,802)	3,965,100	3,902,782	(62,318)
EXPENDITURES						
Current:						
General government	6,463,588	4,912,755	1,550,833			
Law enforcement	12,654,069	12,063,253	590,816			
Highways and streets	129,799	82,987	46,812	4,262,992	3,175,779	1,087,213
Public safety	7,910,922	6,965,745	945,177			
Sanitation	2,670,945	2,575,038	95,907			
Health	52,800	52,800				
Recreation and culture	1,937,341	2,012,946	(75,605)			
Social services	211,459	372,158	(160,699)			
Airport	151,935		151,935			
Total Current	32,182,858	29,169,617	3,145,176	4,262,992	3,175,779	1,087,213
Debt Service:						
Note principal		118,950	(118,950)			
Note interest		3,454	(3,454)			
TOTAL EXPENDITURES	32,182,858	29,292,021	3,022,772	4,262,992	3,175,779	1,087,213

CITY OF PINE BLUFF, 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, 2016

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ (2,930,035)	$ (453,000)	$ 2,608,970	$ (297,892)	$ 727,003	$ 1,024,895
OTHER FINANCING SOURCES (USES)						
Transfers in	894,484	93,066	(801,418)	171,610	66,149	(105,461)
Transfers out	(1,880,928)	(136,218)	1,744,710		(255,490)	(255,490)
Loan proceeds	111,685	111,685				
Contributions from civic auditorium complex commission	111,170	110,420	(750)			
TOTAL OTHER FINANCING SOURCES (USES)	(763,589)	178,953	942,542	171,610	(189,341)	(360,951)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(3,693,624)	(274,047)	3,551,512	(126,282)	537,662	663,944
FUND BALANCES - JANUARY 1		7,680,661	7,680,661		965,289	965,289
FUND BALANCES - DECEMBER 31	$ (3,693,624)	$ 7,406,614	$ 11,232,173	$ (126,282)	$ 1,502,951	$ 1,629,233

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

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

The City of Pine Bluff 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: Waste Water Utility Commission, Civic Auditorium Complex Commission, Advertising and Tourist Promotion Commission, and Aviation Commission Funds. 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.

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. The General Fund heading as it appears in the financial statements includes the following accounts: General, Sewer Improvement District Loan, Capital Projects, Public Safety Facility Building, Parks & Recreation Commission, Police Department Special Projects, and Summer Academic and Culture Enrichment Program.

Street Fund - The Street Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Street Fund accounts for and reports the proceeds of state highway turnback and property taxes that are restricted or committed for maintaining and constructing highways and streets.

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

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

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets. See Schedules 1 and 2 for Capital Projects 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 and 2 for Debt Service Funds as reported with other funds in the aggregate.

Permanent Funds – Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. See Schedules 1 and 2 for the Permanent Fund as reported with other funds in the aggregate.

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation – Regulatory (Continued)

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 1 and 2 for Pension Trust Funds as reported with other funds in the aggregate.

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

C. Basis of Accounting - Regulatory

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. However, most state aid received from the State Treasury is by state law revenue of the year in which it was received by the government. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements.

D. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

For the purpose of financial reporting, “cash and cash equivalents” includes all demand and savings accounts, certificates of deposit, treasury bills, and short-term investments with an original maturity of three months or less.

Investments

Investments are reported at fair value.

Settlements Pending

Settlements pending are considered fines, forfeitures, costs, interest, and insurance premiums that have not been transferred to the appropriate entities.

Fund Balance Classifications

1. Nonspendable fund balance - amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

2. 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.

3. 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).

4. 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.

5. 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.

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Property Taxes

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

F. Budget Law

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

a. Prior to December 1, the Mayor submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

b. The proposed budget is discussed at a City Council meeting prior to adoption.

c. Prior to February 1, the budget is legally enacted by ordinance or resolution of the City Council.

d. Appropriations lapse at the end of each year.

e. Under certain conditions, the budget may be amended subsequent to the year-end.

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

Basis of Accounting

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

G. Fund Balance Classification Policies and Procedures

The Municipality's highest level of decision-making authority is its City Council. The establishment of amounts classified as committed fund balances and any subsequent modifications to such balances are the result of formal action taken by the City Council through passage of an ordinance. The City Council is authorized to assign amounts to a specific purpose, although a formal policy has not been established.

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.

NOTE 2: Cash Deposits with Financial Institutions

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

	Carrying Amount	Bank Balance
Insured (FDIC)	$ 2,084,176	$ 2,083,074
Collateralized:		
Collateral held by the pledging bank or pledging bank's trust department or agent not in the City's name	22,772,313	22,824,295
Total Deposits	$ 24,856,489	$ 24,907,369

The above total deposits do not include cash on hand of $8,709.

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 deposit policy for custodial credit risk. As of December 31, 2016, none of the City's bank balances were exposed to custodial credit risk.

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.

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: Public Fund Investments

A summary of investments by fund types is as follows:

Fund Type	December 31, 2016 Fair Value	December 31, 2015 Fair Value
Permanent	$ 49,616	$ 105,153
Pension Trust	40,967,944	40,163,158
Totals	$ 41,017,560	$ 40,268,311

NOTE 4: Public Fund Investments (Continued)

Investments are reported at fair value. In 2016, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*. This establishes a hierarchy based on the valuation assumptions used to measure the fair value of the asset as follows:

- **Level I** – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- **Level II** – Quoted prices in markets that are not active or inputs, which are observable, either directly or indirectly, for substantially the full term of the investment.
- **Level III –** Prices or valuation techniques that require the inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity.)

The City's investments are composed of the following:

December 31, 2016 Investment Type	Quoted Prices in Active Markets for Identical Investments Level I	Other Observable Inputs Level II	Total
Federal agency obligations	$ 5,578,153		$ 5,578,153
Bonds		10,419,879	10,419,879
Stocks	12,071,568		12,071,568
Municipal obligations		823,887	823,887
Mutual funds	12,124,073		12,124,073
Totals	$ 29,773,794	$ 11,243,766	$ 41,017,560

The fair values of federal agency obligations, stocks, and mutual funds are measured on a recurring basis and are based on quoted marked prices obtained from independent pricing sources, and are classified as Level I inputs. Bonds and municipal obligations are valued at fair value using quoted market prices from third parties that use, as their basis readily observable market inputs, such as yields of similar instruments with comparable inputs. As a result, these were classified as Level II inputs.

NOTE 5: Accounts Receivable

The accounts receivable balance at December 31, 2016, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
State aid			$ 30,674
Federal aid			42,864
Property taxes	$ 123,374	$ 36,171	16,225
Franchise fees	225,059		201,555
Sales taxes	1,036,071		346,841
Fines, forfeitures, and costs			83
Interest			102,465
Other	35,391	1,500	
Totals	$ 1,419,895	$ 37,671	$ 740,707

NOTE 6: Accounts Payable

The accounts payable balance at December 31, 2016, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	$ 487,237	$ 40,944	$ 42,679
Salary payable	75,713		
Payroll taxes payable	10,621		1,812
Retirement payable	331,116	10,024	
Totals	$ 904,687	$ 50,968	$ 44,491

NOTE 7: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2016	
Fund	Interfund Receivables	Interfund Payables
General	$ 648,933	$ 127,745
Road		23,164
Other Funds in the Aggregate:		
Special Revenue:		
Community development		228,922
Jail fees		80,726
Grants	7,500	73,486
Department of Housing and Urban Development Storm Recovery Drainage Grant		100
Transit	127,745	250,035
Totals	$ 784,178	$ 784,178

Interfund receivables and payables consist of errors in depositing restricted revenues, matching grant funds, and reimbursement for expenses paid by the General Fund. All interfund receivables and payables were repaid in 2017 except for $100 payable to Drainage Grants. These balances were repaid prior to June 1, 2017.

NOTE 8: 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. However, a federal compliance audit is currently being conducted.

Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the City

NOTE 9: Details of Fund Balance Classifications

Fund balance classifications at December 31, 2016, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Nonspendable			$ 492,700
Restricted for:			
General government	$ 146,000		11,322
Law enforcement			452,914
Highways and streets		$ 1,128,178	
Public safety	127,575		
Recreation and culture	150,419		
Pension benefits			43,419,172
Capital outlay			7,942,839
Total Restricted	423,994	1,128,178	51,826,247
Committed for:			
Recreation and culture			427,002
Capital outlay			3,059,703
Debt service			1,902,646
Total Committed			5,389,351
Assigned to:			
General government	24,444		
Law enforcement	1,767		
Highways and streets		374,773	
Recreation and culture			298,928
Capital outlay	23,997		200
Total Assigned	50,208	374,773	299,128
Unassigned	6,932,412		(57,309)
Totals	$ 7,406,614	$ 1,502,951	$ 57,950,117

NOTE 10: Deficit Fund Balances

The following fund has a deficit fund balance as of December 31, 2016:

	December 31, 2016
Other Funds in the Aggregate:	
Special Revenue Funds:	
Transit	$ (57,309)

NOTE 11: 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, 2016, the legal debt limit for the bonded debt was $72,497,117. 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, 2016, the legal debt limit for short-term financing obligations was $19,813,637. The amount of short-term financing obligations was $502,572, leaving a legal debt margin of $19,311,065

NOTE 12: Commitments

Total commitments consist of the following at December 31, 2016:

	December 31, 2016
Long-term liabilities	$ 31,645,865
Construction contracts	509,244
Total Commitments	$ 32,155,109

Long-term liabilities

Long-term liabilities at December 31, 2016, are comprised of the following:

	December 31, 2016
Franchise Fee Revenue Refunding and Improvement Bonds, Series 2014; annual installments beginning May 1, 2015, with the final installment due May 1, 2039, interest at 1.0% - 4.25%. Payments are to be made from the Debt Service Fund.	$ 5,390,000
Sales and Use Tax Improvement Bonds, Series 2011; annual installments beginning October 1, 2012, with the final settlement due October 1, 2036, interest at 2.0% - 4.625%. Payments are to be made from the Debt Service Fund.	7,045,000
Sales and Use Tax Improvement Bonds, Series 2012; annual installments beginning October 1, 2013, with the final installment due October 1, 2036, interest at 1.0% - 4.125%. Payments are to be made from the Debt Service Fund.	4,715,000
Franchise Fee Revenue Improvement Bonds, Series 2016; annual installments beginning May 1, 2017, with the final installment due May 1, 2046, interest at 2.0% - 3.5%. Payments are to be made from the Debt Service Fund.	3,080,000
Sales and Use Tax Improvement Bonds, Series 2016; annual installments beginning October 1, 2017, with the final settlement due October 1, 2036, interest at 2.0% - 3.5%. Payments are to be made from the Debt Service Fund.	6,805,000
2015 promissory note with Simmons First National Bank for the purchase of three 2016 Dodge Charges and seven 2016 Ford Truck Explorers; annual installments of $91,768 for three years at 1.79% interest with the final installment due on August 14, 2018. Payments are to be made from the Emergency Vehicle Fund.	183,146
2015 promissory note with Relyance Bank for the purchase of various equipment for the Street department, a turf mower, two Ford Fusions, various equipment for the Police department, an Inspection department vehicle, and a Community Development vehicle; one payment of $69,800 and annual installments of $73,872 for four years at 2.27% interest with the final installment due on March 7, 2019. Payments are to be made from the General Fund.	207,741
2016 promissory note with Simmons First National Bank for the purchase of five 2016 Dodge Chargers; annual installments of $39,183 for three years at 2.3% interest with the final installment due on July 28, 2019. Payments are to be made from the General Fund.	111,685
Compensated absences	4,108,293
Total Long-term liabilities	$ 31,645,865

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

NOTE 12: Commitments (Continued)

Post Employment Benefits Other Than Pensions

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

Debt Service Requirements to Maturity

The City is obligated for the following amounts at December 31, 2016:

Years Ending December 31,	Bonds	Notes	Total
2017	$ 2,116,568	$ 204,661	$ 2,321,229
2018	2,105,414	209,315	2,314,729
2019	2,028,276	108,420	2,136,696
2020	2,020,644		2,020,644
2021	2,025,579		2,025,579
2022 through 2026	9,278,590		9,278,590
2027 through 2031	7,757,975		7,757,975
2032 through 2036	6,503,384		6,503,384
2037 through 2041	2,812,100		2,812,100
2042 through 2046	2,600,625		2,600,625
Total Obligations	39,249,155	522,396	39,771,551
Less Interest	12,214,155	19,824	12,233,979
Total Principal	$ 27,035,000	$ 502,572	$ 27,537,572

Construction Contracts

The City was contractually obligated for the following construction contracts at December 31, 2016:

Project Name	Estimated Completion Date	Contract Balance December 31, 2016
Street Drainage Project	December 2017	$ 39,938
Main Street Streetscape Project	September 2018	435,489
Lake Saracen Walking Trail	September 2017	29,673
Joe Thomas Facility Building - Renovation	Completed May 2017	4,144
Total Contracts		$ 509,244

NOTE 13: **Interfund Transfers**

The General Fund transferred $136,218 to Other Funds in the Aggregate for the following: $63,527 to the Community Development Fund to provide matching funds for a community development grant, and $72,691 to supplement the Southeast Arkansas Arts & Science Center Commission Fund. The Street Fund transferred $255,490 to the Other Funds in the Aggregate, Transit Fund, for matching funds of a trail grant. The Other Funds in the Aggregate transferred $93,066 to the General Fund for the following: $72,437 as reimbursement of expenses from the Jail Fee Fund and $20,629 as reimbursement from the Transit Department for prior year error corrections noted by the City and $66,149 to Street Fund from the Grant Fund for matching funds.

The City also had transfers between funds in the Other Funds in the Aggregate consisting of $38,413 transferred to the Capital Improvements Fund from the Franchise Fee Fund per the bond issue instructions and a transfer of $145,200 from the Sales and Use tax Capital Improvements Fund to the Sales and Use Tax Improvement Bond account for debt related payments.

NOTE 14: Prior Year Restatement

The January 1, 2016 fund balance for the Other Funds in the Aggregate was increased by $4,275,305 to reflect investments at fair value.

NOTE 15: Pledged Revenues

A. Franchise Fees

The City pledged future franchise fees to repay $6,015,000 in capital improvement refunding and improvement bonds issued in 2014 to refund the 2009 series refunding and acquisition bonds to provide funding for various capital improvements. Total principal and interest remaining on the bonds are $5,390,000 and $1,630,440, respectively, payable though May 2039. For 2016, principal and interest paid were $315,000 and $171,305, respectively.

The City pledged future franchise fees to repay $3,080,000 in capital improvement revenue bonds issued in 2016 for various capital improvements. Total principal and interest remaining on the bonds are $3,080,000 and $1,761,523, respectively, payable through May 2046. No principal and interest payments were made during 2016.

Franchise fees in excess of debt service requirements are permitted to be used for other city expenditures. The City received $3,044,417 in franchise fees.

B. Sales and Use Tax

The City pledged future five-eighths percent sales and use taxes to repay $9,640,000 bonds that were issued in 2011 for various capital improvements, to repay $5,355,000 bonds that were issued in 2012 for various capital improvements, to repay $3,190,000 bonds that were issued in 2016 for various capital improvements. Total principal and interest remaining on the bonds are $7,045,000 and $2,765,025 for the 2011 bond issue, $4,715,000 and $2,092,921 for the 2012 bond issue, and $6,805,000 and $3,964,246 for the 2016 bond issue. For 2016, principal and interest paid were $495,000 and $263,030, respectively, for the 2011 bond issue. For 2016, principal and interest paid were $170,000 and $168,365, respectively, for the 2012 bond issue.

Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for other city expenditures. The City received $4,383,313 in sales taxes for the repayment of these bonds.

NOTE 16: Joint Venture

A. Metropolitan Emergency Communications Association

The City of Pine Bluff belongs to the Metropolitan Emergency Communications Association as set up by an amended interlocal cooperation agreement, dated May 13, 1996, which is composed of the Cities of Pine Bluff, White Hall, Redfield, Altheimer, Wabbaseka, Humphrey, and Sherrill and Jefferson County. The Association Is governed by seven commissioners which include the City of Pine Bluff's Mayor, Police Chief, and Fire Chief; Jefferson County's County Judge and Sheriff; the Office of Emergency Services Coordinator; and the Chairman of the 911 Administrative Board by virtue of their term in office or employment with the local government. Pursuant to the aforementioned amended agreement for 1996, the participants' percentage shares of any deficit between 911 telephone fee revenue and operating expenses were as follows:

City of Pine Bluff	70.76%
City of White Hall	2.25%
City of Redfield	.63%
City of Altheimer	.57%
City of Wabbaseka	.19%
City of Humphrey	.21%
City of Sherrill	.04%
Jefferson County	25.35%
Total	100.00%

The City paid Metropolitan Emergency Communications Association $696,583 in 2016. Separate financial statements are not available.

NOTE 16: Joint Venture (Continued)

B. Pine Bluff and Jefferson County Library System

The City of Pine Bluff and Jefferson County entered into an agreement in August 1979, in accordance with Ark. Code Ann. §§ 25-20-101 – 25-20-108, to establish a library system for the Jefferson County, Arkansas area. The Pine Bluff and Jefferson County Library System is composed of five members appointed by the Jefferson County Judge with Quorum Court approval and six members appointed by the Mayor of Pine Bluff and ratified by the City Council. Title to fixed assets held by the constituent governmental units and used for library purposes at the time of the execution of this agreement shall remain unchanged although additional assets may be acquired in the name of the Pine Bluff and Jefferson County Library System. The Board shall fix the number and salaries of employees of the Pine Bluff and Jefferson County Library System. The City paid the Pine Bluff and Jefferson County Library System $595,872 in 2016. Separate financial statements are available at 200 East Eighth Street, Pine Bluff, Arkansas 71601.

NOTE 17: 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. Payments made by the City in 2016, 2015, and 2014 in excess of Arkansas Municipal League's coverage totaled $92,500, $175,000, and $2,500, respectively. 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 Legal Defense Program - The program shall, at the sole discretion of the program administrators, provide extraordinary legal defense and extraordinary expenses in suits against municipal officials and employees and civil rights suits against the municipal government of a participating municipality and pay extraordinary judgments (for actual damages – not punitive damages) imposed on municipal officials and employees and the municipal government. The program shall never be liable to reimburse the municipal government, municipal officials, and employees because of judgment in any one lawsuit for more than 25% of the program's available funds at time the lawsuit was filed or the judgment becomes final, or $1 million, whichever is less. The City agrees to pay into the program each year a charge established by the steering committee. Each city also agrees to pay the first $3,000 of the aggregate cost for all expenses on each lawsuit. This cost deposit is not refundable.

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

NOTE 18: Policemen's Pension and Relief Plan

Plan Description

The Policemen's Pension and Relief Plan is a single-employer defined benefit pension plan that covers municipal policemen 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 6% of their salary to the plan, provided that such monthly deduction shall be 4% for policemen contributing to the social security system unless increased, but not to exceed 6%, by the majority of the contributing members of the police department covered by social security. The City is required by state law to contribute an amount equal to but not less than 6% of the participant's salary; provided, however, that the City's contributions shall not exceed the amount contributed by the policemen except where authorized by appropriation of the City's governing body. The plan is also funded with state insurance tax; property tax on real estate and personal property; all forfeitures and fines imposed upon any member of the police department by way of discipline; all money given or donated to such fund; all money deducted from the salary of any member of the police department on account of absence or loss of time; all rewards paid for any purpose and 10% of all fines and forfeitures collected for violation of ordinances or state law. If the funds in the plan should be insufficient to make full payment of the amount of pensions to all persons entitled, the beneficiaries shall be paid prorating the funds available among them. Based on the December 31, 2015 actuarial valuation, the plan has a net pension liability of $14,397,599.

Deferred Retirement Option Plan

The local policemen's pension and relief board of trustees approved the participation in the Arkansas Police Officer's Deferred Retirement Option Plan (DROP). Any police officer who is a member of the policemen'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 police officer and the employer contribution shall continue to be paid. Municipal matching contributions for employees who elect the DROP shall be credited equally to the policemen'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.

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 police officer and start receiving the member's accrued monthly retirement benefit from the policemen's pension and relief fund.

NOTE 19: 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.

**NOTE 19: Local Police and Fire Retirement System (LOPFI)
(A Defined Benefit Pension Plan) (Continued)**

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 $627,665 and the amount of insurance tax paid by the state to the plan for the benefit of the City was $1,099,439 for the year ended December 31, 2016.

Net Pension Liability

The City's proportionate share of the collective net pension liability at December 31, 2015 (actuarial valuation date and measurement date) was $15,769,776.

NOTE 20: 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. 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 on behalf of the District Court Clerk only was $6,900 for the year ended December 31, 2016.

Net Pension Liability

The City of Pine Bluff's District Court's proportionate share of the collective net pension liability at June 30, 2016 (actuarial valuation date and measurement date) was $60,392.

NOTE 21: City Retirement

Plan Description

The City Retirement Plan for the City of Pine Bluff is a single-employer defined pension plan that covers all non-uniformed full-time employees of the City. The plan provides retirement and death benefits to plan members and their beneficiaries. Benefit provisions and contribution requirements may be amended by the City of Pine Bluff Retirement Board and the Pine Bluff City Council.

NOTE 21: City Retirement (Continued)

Funding Policy

Funding is provided by contributions of 3% by the employee and 7% by the City of the employee's total annual compensation. The City's contribution to the plan was $530,112 for the year ended December 31, 2016. Based on the January 1, 2016 actuarial valuation, the plan has an unfunded actuarial liability of $1,881,000.

NOTE 22: Subsequent Events

On April 3, 2017, the City approved an Ordinance providing for the issuance and sale of a series of library construction bonds for the purpose of funding acquisition, construction, and equipping of library capital improvement projects, pledging library tax revenues and special tax collections sufficient to pay the principle of and interest on the bonds.

NOTE 23: Voluntary Grant Reduction in Lieu of Repayment

The City voluntarily requested reductions in grant funding for the City's Community Development Block Grant and HOME Investment Partnership Program to resolve findings of noncompliance by the United States Department of Housing and Urban Development. These reductions will total $105,383 and will be withheld over the next year.

CITY OF PINE BLUFF, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2016

Schedule 1

	SPECIAL REVENUE FUNDS							
	Community Development	Historic District Commission	Jail Fee	Administration of Justice	Southeast Arkansas Arts and Science Center Commission	Vice Intelligence Narcotics	Grants	Emergency Vehicle
ASSETS								
Cash and cash equivalents	$ 229,226	$ 1,194	$ 91,294	$ 276,741	$ 727,815	$ 109,147	$ 409,133	$ 56,646
Investments								
Accounts receivable	42,864							
Interfund receivables							7,500	
TOTAL ASSETS	$ 272,090	$ 1,194	$ 91,294	$ 276,741	$ 727,815	$ 109,147	$ 416,633	$ 56,646
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ 37,114				$ 1,885			$ 188
Interfund payables	228,922		$ 80,726				$ 73,486	
Settlements pending								
Total Liabilities	266,036		80,726		1,885		73,486	188
Fund Balances:								
Nonspendable								
Restricted	6,054	$ 1,194	10,568	$ 276,741		$ 109,147	342,947	56,458
Committed					427,002			
Assigned					298,928		200	
Unassigned								
Total Fund Balances	6,054	1,194	10,568	276,741	725,930	109,147	343,147	56,458
TOTAL LIABILITIES AND FUND BALANCES	$ 272,090	$ 1,194	$ 91,294	$ 276,741	$ 727,815	$ 109,147	$ 416,633	$ 56,646

CITY OF PINE BLUFF, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2016

Schedule 1

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS				DEBT SERVICE FUNDS	
	Department of Housing and Urban Development Storm Recovery Drainage Grant	Transit	Sales and Use Tax Capital Improvements Series 2012	Capital Improvement Series 2014	Sales and Use Tax Capital Improvements Series 2016	Capital Improvements Series 2016	Sales and Use Tax Improvement Bond Series 2011 - 2012	Franchise Fee Improvement Refunding and Improvement Bond Series 2014
ASSETS								
Cash and cash equivalents	$ 4,174	$ 45,797	$ 1,238,385	$ 32,928	$ 6,361,507	$ 3,026,775	$ 610,614	$ 243,636
Investments							500,000	
Accounts receivable		24,488					346,841	201,555
Interfund receivables		127,745						
TOTAL ASSETS	$ 4,174	$ 198,030	$ 1,238,385	$ 32,928	$ 6,361,507	$ 3,026,775	$ 1,457,455	$ 445,191
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable		$ 5,304						
Interfund payables	$ 100	250,035						
Settlements pending								
Total Liabilities	100	255,339						
Fund Balances:								
Nonspendable								
Restricted	4,074		$ 1,238,385		$ 6,361,507			
Committed				$ 32,928		$ 3,026,775	$ 1,457,455	$ 445,191
Assigned								
Unassigned		(57,309)						
Total Fund Balances	4,074	(57,309)	1,238,385	32,928	6,361,507	3,026,775	1,457,455	445,191
TOTAL LIABILITIES AND FUND BALANCES	$ 4,174	$ 198,030	$ 1,238,385	$ 32,928	$ 6,361,507	$ 3,026,775	$ 1,457,455	$ 445,191

CITY OF PINE BLUFF, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2016

Schedule 1

	PERMANENT FUND	TRUST FUNDS		AGENCY FUNDS				
	Cemetery Trust	City Retirement	Policemen's Pension and Relief	District Court (Division 1)	District Court (Division 2)	Payroll	Health Insurance Premium	Totals
ASSETS								
Cash and cash equivalents	$ 443,084	$ 2,003,193	$ 823,076	$ 89,042	$ 46,311	$ 49,355	$ 36,495	$ 16,955,568
Investments	49,616	26,400,853	14,067,091					41,017,560
Accounts receivable		70,834	54,125					740,707
Interfund receivables								135,245
TOTAL ASSETS	$ 492,700	$ 28,474,880	$ 14,944,292	$ 89,042	$ 46,311	$ 49,355	$ 36,495	$ 58,849,080
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable								$ 44,491
Interfund payables								633,269
Settlements pending				$ 89,042	$ 46,311	$ 49,355	$ 36,495	221,203
Total Liabilities				89,042	46,311	49,355	36,495	898,963
Fund Balances:								
Nonspendable	$ 492,700							492,700
Restricted		$ 28,474,880	$ 14,944,292					51,826,247
Committed								5,389,351
Assigned								299,128
Unassigned								(57,309)
Total Fund Balances	492,700	28,474,880	14,944,292					57,950,117
TOTAL LIABILITIES AND FUND BALANCES	$ 492,700	$ 28,474,880	$ 14,944,292	$ 89,042	$ 46,311	$ 49,355	$ 36,495	$ 58,849,080

CITY OF PINE BLUFF, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

Schedule 2

	SPECIAL REVENUE FUNDS							
	Community Development	Historic District Commission	Jail Fee	Administration of Justice	Southeast Arkansas Arts and Science Center Commission	Vice Intelligence Narcotics	Grants	Emergency Vehicle
REVENUES								
State aid					$ 9,123		$ 252,540	
Federal aid	$ 821,954	$ 1,508				$ 24,731	380,894	
Property taxes								
Franchise fees								
Sales taxes								
Fines, forfeitures, and costs			$ 97,799	$ 74,041				$ 82,412
Interest			206	374	188	383		201
Local permits and fees					88,929			
Transit fees								
Empoyer contribution								
Employee contribution								
Donations					313,422		273,000	
Net increase (decrease) in the fair value of investments								
Other	213,361				67,377			
TOTAL REVENUES	1,035,315	1,508	98,005	74,415	479,039	25,114	906,434	82,613
EXPENDITURES								
Current:								
General government	1,213,928	1,750					185,638	
Law enforcement			15,000	20,660		102,828	83,332	
Highways and streets							234,868	
Public safety								
Sanitation							10,938	
Recreation and culture					483,871		16,847	
Social services								
Transit								
Total Current	1,213,928	1,750	15,000	20,660	483,871	102,828	531,623	
Debt Service:								
Bond principal								
Bond interest and other charges								
Note principal								86,854
Note interest								4,914
TOTAL EXPENDITURES	1,213,928	1,750	15,000	20,660	483,871	102,828	531,623	91,768

CITY OF PINE BLUFF, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

Schedule 2

	SPECIAL REVENUE FUNDS							
	Community Development	Historic District Commission	Jail Fee	Administration of Justice	Southeast Arkansas Arts and Science Center Commission	Vice Intelligence Narcotics	Grants	Emergency Vehicle
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ (178,613)	$ (242)	$ 83,005	$ 53,755	$ (4,832)	$ (77,714)	$ 374,811	$ (9,155)
OTHER FINANCING SOURCES (USES)								
Transfers in	63,527				72,691			
Transfers out			(72,437)				(66,149)	
Bond proceeds								
TOTAL OTHER FINANCING SOURCES (USES)	63,527		(72,437)		72,691		(66,149)	
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(115,086)	(242)	10,568	53,755	67,859	(77,714)	308,662	(9,155)
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	121,140	1,436		222,986	658,071	186,861	34,485	65,613
Restatement adjustment (Note 14)								
FUND BALANCES - JANUARY 1, AS RESTATED	121,140	1,436		222,986	658,071	186,861	34,485	65,613
FUND BALANCES - DECEMBER 31	$ 6,054	$ 1,194	$ 10,568	$ 276,741	$ 725,930	$ 109,147	$ 343,147	$ 56,458

CITY OF PINE BLUFF, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS				DEBT SERVICE FUNDS	
	Department of Housing and Urban Development Storm Recovery Drainage Grant	Transit	Sales and Use Tax Capital Improvements Series 2012	Capital Improvement Series 2014	Sales and Use Tax Capital Improvements Series 2016	Capital Improvements Series 2016	Sales and Use Tax Improvement Bond Series 2011 - 2012	Franchise Fee Improvement Refunding and Improvement Bond Series 2014
REVENUES								
State aid		$ 116,464						
Federal aid	$ 11,210	683,070						
Property taxes								
Franchise fees								$ 472,304
Sales taxes							$ 1,195,813	
Fines, forfeitures, and costs								
Interest		178	$ 1,775	$ 284	$ 2,785	$ 955	8,265	318
Local permits and fees								
Transit fees		43,656						
Empoyer contribution								
Employee contribution								
Donations								
Net increase (decrease) in the fair value of investments								
Other		24,596						
TOTAL REVENUES	11,210	867,964	1,775	284	2,785	955	1,204,078	472,622
EXPENDITURES								
Current:								
General government	7,136		32,998	5,639	283,528	92,593		
Law enforcement			4,836	203,402				
Highways and streets			15,006					
Public safety			16,759					
Sanitation								
Recreation and culture			38,122		17,550			
Social services								
Transit		971,244						
Total Current	7,136	971,244	107,721	209,041	301,078	92,593		
Debt Service:								
Bond principal							665,000	315,000
Bond interest and other charges							438,995	175,305
Note principal								
Note interest								
TOTAL EXPENDITURES	7,136	971,244	107,721	209,041	301,078	92,593	1,103,995	490,305

CITY OF PINE BLUFF, ARKANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2016

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS				DEBT SERVICE FUNDS	
	Department of Housing and Urban Development Storm Recovery Drainage Grant	Transit	Sales and Use Tax Capital Improvements Series 2012	Capital Improvement Series 2014	Sales and Use Tax Capital Improvements Series 2016	Capital Improvements Series 2016	Sales and Use Tax Improvement Bond Series 2011 - 2012	Franchise Fee Improvement Refunding and Improvement Bond Series 2014
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ 4,074	$ (103,280)	$ (105,946)	$ (208,757)	$ (298,293)	$ (91,638)	$ 100,083	$ (17,683)
OTHER FINANCING SOURCES (USES)								
Transfers in		255,490				38,413	145,200	
Transfers out		(20,629)			(145,200)			(38,413)
Bond proceeds					6,805,000	3,080,000		
TOTAL OTHER FINANCING SOURCES (USES)		234,861			6,659,800	3,118,413	145,200	(38,413)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	4,074	131,581	(105,946)	(208,757)	6,361,507	3,026,775	245,283	(56,096)
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED		(188,890)	1,344,331	241,685			1,212,172	501,287
Restatement adjustment (Note 14)								
FUND BALANCES - JANUARY 1, AS RESTATED		(188,890)	1,344,331	241,685			1,212,172	501,287
FUND BALANCES - DECEMBER 31	$ 4,074	$ (57,309)	$ 1,238,385	$ 32,928	$ 6,361,507	$ 3,026,775	$ 1,457,455	$ 445,191

CITY OF PINE BLUFF, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

Schedule 2

	PERMANENT FUND	TRUST FUNDS		
	Cemetery Trust	City Retirement	Policemen's Pension and Relief	Totals
REVENUES				
State aid			$ 183,006	$ 561,133
Federal aid				1,923,367
Property taxes			370,966	370,966
Franchise fees				472,304
Sales taxes				1,195,813
Fines, forfeitures, and costs			103,511	357,763
Interest	$ 13,141	$ 616,367	368,950	1,014,370
Local permits and fees				88,929
Transit fees				43,656
Empoyer contribution		530,112		530,112
Employee contribution		227,161		227,161
Donations				586,422
Net increase (decrease) in the fair value of investments	(536)	855,518	856,671	1,711,653
Other		10,686		316,020
TOTAL REVENUES	12,605	2,239,844	1,883,104	9,399,669
EXPENDITURES				
Current:				
General government		1,593,193		3,416,403
Law enforcement			2,151,541	2,581,599
Highways and streets				249,874
Public safety				16,759
Sanitation				10,938
Recreation and culture				556,390
Social services	4,949			4,949
Transit				971,244
Total Current	4,949	1,593,193	2,151,541	7,808,156
Debt Service:				
Bond principal				980,000
Bond interest and other charges				614,300
Note principal				86,854
Note interest				4,914
TOTAL EXPENDITURES	4,949	1,593,193	2,151,541	9,494,224

CITY OF PINE BLUFF, ARKANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2016

Schedule 2

	PERMANENT FUND	TRUST FUNDS		
	Cemetery Trust	City Retirement	Policemen's Pension and Relief	Totals
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ 7,656	$ 646,651	$ (268,437)	$ (94,555)
OTHER FINANCING SOURCES (USES)				
Transfers in				575,321
Transfers out				(342,828)
Bond proceeds				9,885,000
TOTAL OTHER FINANCING SOURCES (USES)				10,117,493
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	7,656	646,651	(268,437)	10,022,938
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	483,533	24,942,576	13,824,588	43,651,874
Restatement adjustment (Note 14)	1,511	2,885,653	1,388,141	4,275,305
FUND BALANCES - JANUARY 1, AS RESTATED	485,044	27,828,229	15,212,729	47,927,179
FUND BALANCES - DECEMBER 31	$ 492,700	$ 28,474,880	$ 14,944,292	$ 57,950,117

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

Fund Name	Fund Description
Community Development	Established to process grants for low-income housing construction and rehabilitation.
Historic District Commission	Ark. Code Ann. § 14-172-206 and Pine Bluff Ordinance no. 6133 (March 21, 2005) established fund to process grants to support the historic significance of the buildings, structures, features, sites, and surroundings of the City.
Jail Fee	Ark. Code Ann. § 16-17-129 and Pine Bluff Ordinance no. 6286 (June 15, 2009) allows a county to levy an additional fine, not to exceed $20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
Administration of Justice	Ark. Code Ann. § 16-17-126 authorizes district court fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
Southeast Arkansas Arts and Science Center Commission	Pine Bluff Ordinance no. 4139 (May 5, 1969) established fund to provide recreational services and promote cultural growth to the residents of the City.
Vice Intelligence Narcotics	Established to process the Department of Justice and the Department of the Treasury's Federal Equitable sharing grants for law enforcement purposes.
Grants	Established to process various state and federal grants.
Emergency Vehicle	Ark. Code Ann. § 27-22-103 established fund for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communication equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus.
Department of Housing and Urban Development Storm Recovery Drainage Grant	Established to process the United State Department of Housing and Urban Development's Storm Recovery Grant.
Transit	Established to process revenues and expenditures of the City Transit Department including grants issued under the United States Department of Transportation Urban Mass Transportation Act of 1964.

CITY OF PINE BLUFF, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2016

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

Fund Name	Fund Description
Sales and Use Tax Capital Improvements Series 2012	Pine Bluff Ordinance no. 6400 (July 16, 2012) authorized the issuance of sales and use tax improvement bonds as approved by referendum on February 8, 2011. Trustee established fund to account for the disbursement of debt proceeds for capital improvements.
Capital Improvement Series 2014	Pine Bluff Ordinance no. 6481 (March 17, 2014) authorized the issuance of franchise fee revenue refunding and improvement bonds. Trustee established fund to account for the disbursement of debt proceeds for capital improvements.
Sales and Use Tax Capital Improvements Series 2016	Pine Bluff Ordinance no. 6545 (July 18, 2016) authorized the issuance of sales and use tax improvement bonds as approved by referendum on February 8, 2011. Trustee established fund to account for the disbursement of debt proceeds for capital improvements.
Capital Improvements Series 2016	Pine Bluff Ordinance no. 6547 (August 15, 2016) authorized the issuance of franchise fee revenue refunding and improvement bonds. Trustee established fund to account for the disbursement of debt proceeds for capital improvements.
Sales and Use Tax Improvement Bond Series 2011 - 2012	Pine Bluff Ordinance no. 6363 (September 19, 2011) and no. 6400 (July 16, 2012) authorized the issuance of sales and use tax improvement bonds as approved by referendum on February 8, 2011. Trustee established fund to process the payments on the bonded debt.
Franchise Fee Improvement Refunding and Improvement Bond Series 2014	Pine Bluff Ordinance no. 6481 (March 17, 2014) authorized the issuance of franchise fee revenue refunding and improvement bonds. Trustee established fund to process the payments on the bonded debt.
Cemetery Trust	Ark. Code Ann. §§ 20-17-1013 - 1016 established fund to invest 20% of revenue generated from plot sales to provide permanent maintenance of the City's cemetery.
City Retirement	Pine Bluff City Code § 19-36 (1993) established fund to process the self-supported retirement plan for nonuniformed employees.
Policemen's Pension and Relief	Ark. Code Ann. § 24-11-403 established fund to receive property taxes, state aid, and other revenues allowed by law enforcement for support of police retirement programs.
District Court (Division 1)	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.
District Court (Division 2)	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.

CITY OF PINE BLUFF, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2016

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

Fund Name	Fund Description
Payroll	Established to process the payroll of all employees.
Health Insurance Premium	Established to process insurance premiums withheld from employees' earnings and forwarded to the insurance provider.

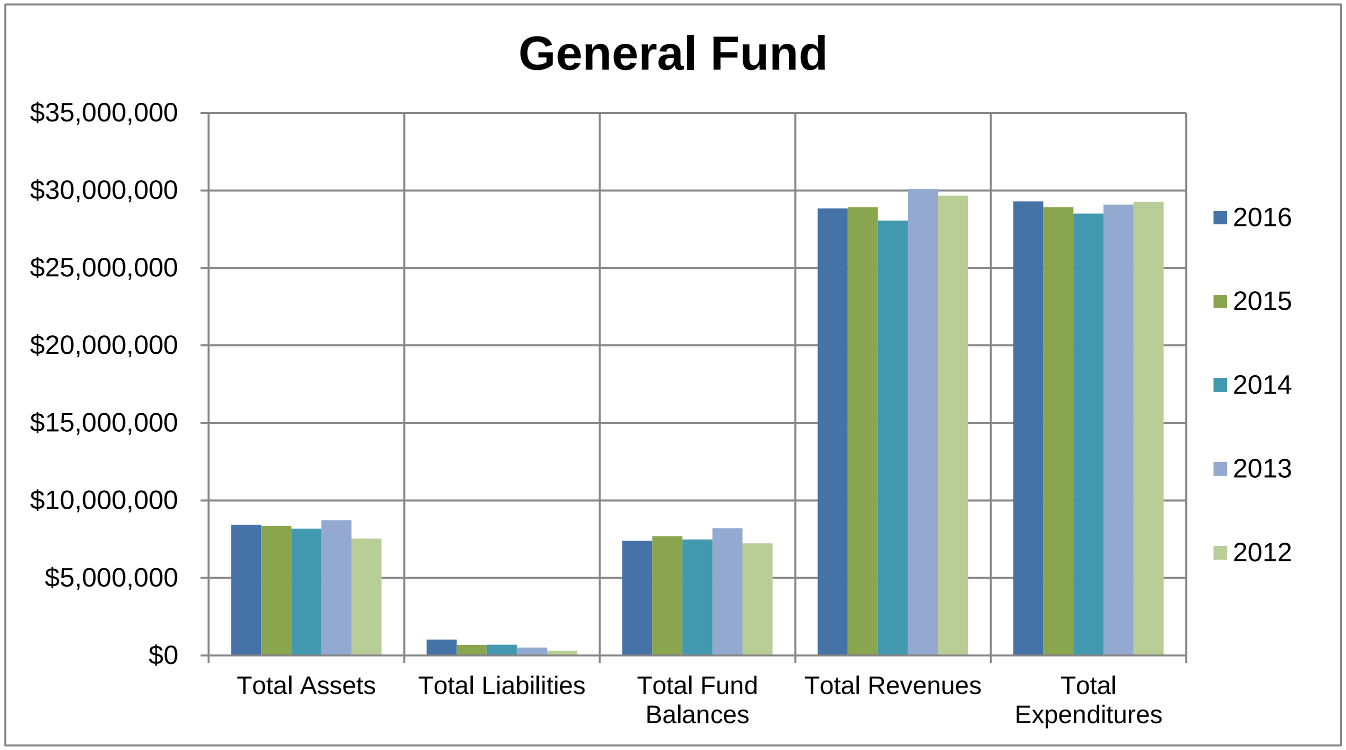
CITY OF PINE BLUFF, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2016
(Unaudited)

	December 31, 2016
Land	$ 604,627
Buildings	35,994,282
Infrastructure	18,703,829
Improvements	7,089,893
Heavy equipment	9,871,423
Vehicles	6,504,690
Equipment	3,472,595
Total	$82,241,339

CITY OF PINE BLUFF, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
DECEMBER 31, 2016
(Unaudited)

Schedule 4-1

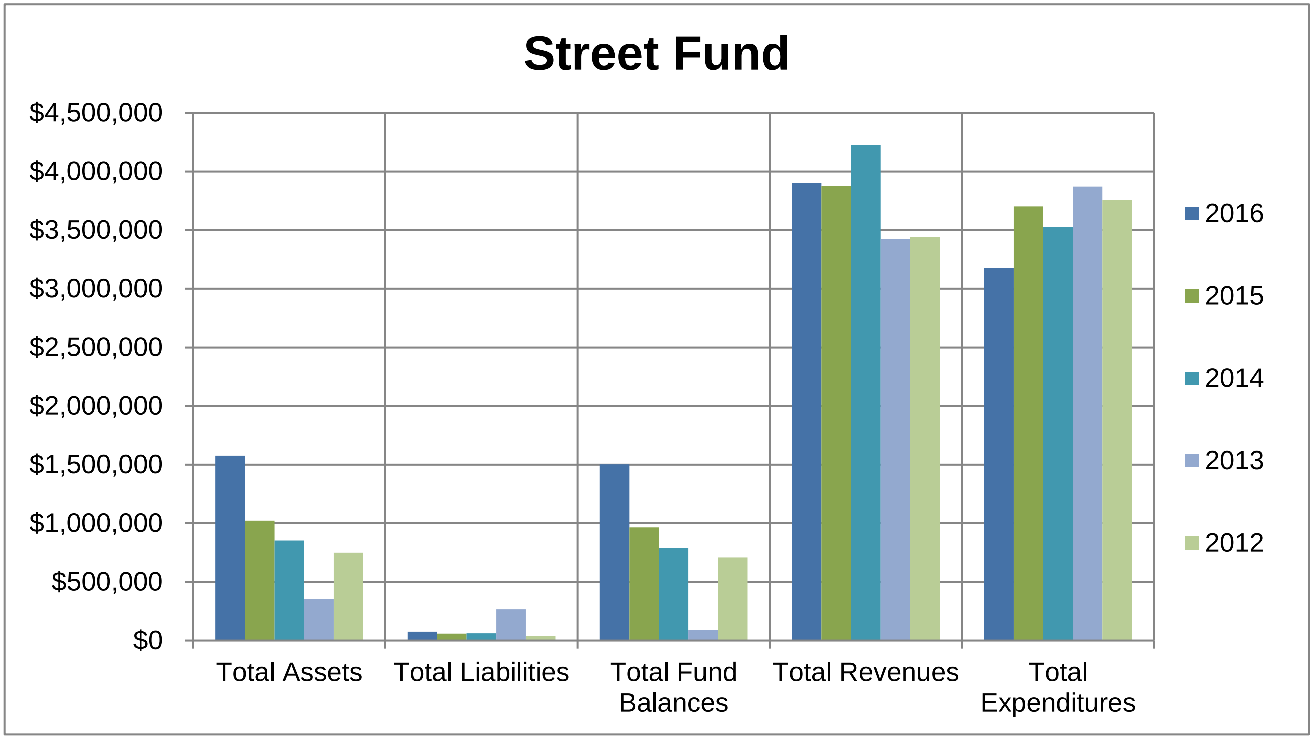
General	2016	2015	2014	2013	2012
Total Assets	$ 8,439,046	$ 8,348,520	$ 8,183,923	$ 8,713,056	$ 7,534,522
Total Liabilities	1,032,432	667,859	696,231	508,472	301,655
Total Fund Balances	7,406,614	7,680,661	7,487,692	8,204,584	7,232,867
Total Revenues	28,839,021	28,913,985	28,053,602	30,084,182	29,653,407
Total Expenditures	29,292,021	28,926,631	28,511,861	29,092,205	29,270,290
Total Other Financing Sources/Uses	178,953	205,615	(38,005)	306,427	265,338



CITY OF PINE BLUFF, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - STREET FUND - REGULATORY BASIS
DECEMBER 31, 2016
(Unaudited)

Schedule 4-2

Street	2016	2015	2014	2013	2012
Total Assets	$ 1,577,083	$ 1,023,460	$ 851,718	$ 354,642	$ 748,675
Total Liabilities	74,132	58,171	61,320	264,909	40,736
Total Fund Balances	1,502,951	965,289	790,398	89,733	707,939
Total Revenues	3,902,782	3,877,649	4,227,291	3,426,927	3,441,064
Total Expenditures	3,175,779	3,702,758	3,526,626	3,871,433	3,756,606
Total Other Financing Sources/Uses	(189,341)				



CITY OF PINE BLUFF, ARKANSAS

Schedule 4-3

SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS

DECEMBER 31, 2016

(Unaudited)

Other Funds in the Aggregate	2016	2015	2014	2013	2012
Total Assets	$ 58,849,080	$ 44,730,799	$ 48,866,715	$ 50,538,938	$ 63,169,796
Total Liabilities	898,963	1,078,925	1,019,214	1,346,724	721,220
Total Fund Balances	57,950,117	43,651,874	47,847,501	49,192,214	62,448,576
Total Revenues	9,399,669	9,684,055	9,478,315	6,748,247	7,862,158
Total Expenditures	9,494,224	14,224,068	12,324,978	14,163,268	11,575,608
Total Other Financing Sources/Uses	10,117,493	344,386	1,281,322	(6,015,669)	5,599,099