City of Pine Bluff, Arkansas

Regulatory Basis Financial Statements and Other Reports

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE

CITY OF PINE BLUFF, ARKANSAS

TABLE OF CONTENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

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

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, 2017, 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, 2017, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

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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, 2017, 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 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 July 12, 2018, 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 A. Norman

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

Little Rock, Arkansas
July 12, 2018
LOM107617

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

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, 2017, and the related notes to the financial statements, and have issued our report thereon dated July 12, 2018. 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.*

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 2017:

Mayor: Shirley Washington
City Collector: Sharon Johnson
Finance Director: Steve Miller
City Clerk: Loretta Whitfiled
District Court Clerk (Division 1): Debbie Drake
District Court Clerk (Division 2): Veronica Young
Police Chief: Jeff Hubanks (Retired January 31, 2017)
Ivan Whitefield (Appointed February 1, 2017)

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)** and **District Court Clerk** (**Division 2)** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the office of the **Police Chief**.

1. The City's Police Department traded in excess of 200 confiscated weapons with an estimated value of more than $13,000, in noncompliance with Ark. Code Ann. § 5-5-101, which requires unclaimed seized property be sold at a public auction.

2. Our test of receipts and deposits for the Police Special account revealed the following discrepancies:
   a.) $1,357 in unreceipted deposits.
   b.) Receipts were not issued in numerical order and multiple receipt ranges were utilized simultaneously.
   c.) Receipts were not always deposited in a timely manner.
   d.) Receipt ranges were not identified to deposits.
   e.) Receipt ranges were not properly voided.

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
July 12, 2018

CITY OF PINE BLUFF, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2017

Exhibit A

	General	Street	Other Funds in the Aggregate
ASSETS			
Cash and cash equivalents	$ 7,269,925	$ 1,471,377	$ 29,322,543
Investments			27,194,153
Accounts receivable	1,941,623	53,430	801,729
Interfund receivables	519,207		1,891
TOTAL ASSETS	$ 9,730,755	$ 1,524,807	$ 57,320,316
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 821,746	$ 56,936	$ 288,772
Interfund payables		8,110	512,988
Settlements pending			250,219
Total Liabilities	821,746	65,046	1,051,979
Fund Balances:			
Nonspendable			497,678
Restricted	171,848	1,181,061	52,751,376
Committed			2,676,256
Assigned	852,303	278,700	368,148
Unassigned	7,884,858		(25,121)
Total Fund Balances	8,909,009	1,459,761	56,268,337
TOTAL LIABILITIES AND FUND BALANCES	$ 9,730,755	$ 1,524,807	$ 57,320,316

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

Exhibit B

CITY OF PINE BLUFF, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	General	Street	Other Funds in the Aggregate
REVENUES			
State aid	$ 1,977,336	$ 3,376,486	$ 495,645
Federal aid	25,929		1,704,190
Property taxes	3,059,330	588,968	1,387,696
Franchise fees	392,821		2,714,364
Sales taxes	13,558,051		4,309,808
Fines, forfeitures, and costs	729,044		297,755
Interest	51,073	3,996	1,105,305
Local permits and fees	1,252,437		171,156
Sanitation fees	2,728,890		
Transit fees			50,620
Parks and recreation fees	178,272		
Donations			157,802
Employer contribution			495,440
Employee contribution			214,090
Net increase (decrease) in the fair value of investments			3,205,960
Other	337,951	136,526	513,212
TOTAL REVENUES	24,291,134	4,105,976	16,823,043
EXPENDITURES			
Current:			
General government	4,659,803		3,641,990
Law enforcement	11,425,814		2,487,707
Highways and streets	381	3,857,057	712,133
Public safety	7,198,188		
Sanitation	2,651,587		183,712
Health	50,134		
Recreation and culture	1,829,645		1,997,733
Social services	194,701		4,945
Transit			1,208,474
Airport	129,353		
Total Current	28,139,606	3,857,057	10,236,694
Debt Service:			
Bond principal			850,000
Bond interest and other charges			940,508
Note principal	57,372	43,581	93,000
Note interest	4,057	3,014	3,639
TOTAL EXPENDITURES	28,201,035	3,903,652	12,123,841

Exhibit B

CITY OF PINE BLUFF, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017

	General	Street	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ (3,909,901)	$ 202,324	$ 4,699,202
OTHER FINANCING SOURCES (USES)			
Transfers in	4,865,545		410,952
Transfers out	(165,438)	(245,514)	(4,865,545)
Transfer to Arkansas Local Police and Fire Retirement System			(14,626,389)
Bond proceeds			24,285,000
Payment to refunding bond escrow agent			(11,585,000)
Loan proceeds	778,440		
Contribution form civic auditorium complex commission	109,295		
TOTAL OTHER FINANCING SOURCES (USES)	5,587,842	(245,514)	(6,380,982)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,677,941	(43,190)	(1,681,780)
FUND BALANCES - JANUARY 1	7,231,068	1,502,951	57,950,117
FUND BALANCES - DECEMBER 31	$ 8,909,009	$ 1,459,761	$ 56,268,337

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

Exhibit C

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, 2017

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	$ 1,809,125	$ 1,977,336	$ 168,211	$ 3,215,950	$ 3,376,486	$ 160,536
Federal aid	15,479	25,929	10,450			
Property taxes	2,250,000	3,059,330	809,330	565,000	588,968	23,968
Franchise fees	122,536	392,821	270,285			
Sales taxes	12,961,580	13,558,051	596,471			
Fines, forfeitures, and costs	635,500	729,044	93,544			
Interest	47,385	51,073	3,688	3,133	3,996	863
Local permits and fees	1,272,265	1,252,437	(19,828)			
Sanitation fees	2,794,166	2,728,890	(65,276)			
Parks and recreation fees	110,850	178,272	67,422			
Other	430,438	337,951	(92,487)	209,149	136,526	(72,623)
TOTAL REVENUES	22,449,324	24,291,134	1,841,810	3,993,232	4,105,976	112,744
EXPENDITURES						
Current:						
General government	6,063,063	4,659,803	1,403,260			
Law enforcement	11,716,354	11,425,814	290,540			
Highways and streets	113,164	381	112,783	5,723,909	3,857,057	1,866,852
Public safety	7,782,273	7,198,188	584,085			
Sanitation	2,711,009	2,651,587	59,422			
Health	50,134	50,134				
Recreation and culture	1,779,199	1,829,645	(50,446)			
Social services	208,328	194,701	13,627			
Airport	146,176	129,353	16,823			
Total Current	30,569,700	28,139,606	2,300,741	5,723,909	3,857,057	1,866,852
Debt Service:						
Note principal		57,372	(57,372)		43,581	(43,581)
Note interest		4,057	(4,057)		3,014	(3,014)
TOTAL EXPENDITURES	30,569,700	28,201,035	2,239,312	5,723,909	3,903,652	1,820,257

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, 2017

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ (8,120,376)	$ (3,909,901)	$ 4,081,122	$ (1,730,677)	$ 202,324	$ 1,933,001
OTHER FINANCING SOURCES (USES)						
Transfers in	8,339,889	4,865,545	(3,474,344)	206,732		(206,732)
Transfers out	(1,707,710)	(165,438)	1,542,272		(245,514)	(245,514)
Loan proceeds		778,440	778,440			
Contribution form civic auditorium complex commission	110,795	109,295	(1,500)			
TOTAL OTHER FINANCING SOURCES (USES)	6,742,974	5,587,842	(1,155,132)	206,732	(245,514)	(452,246)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,377,402)	1,677,941	2,925,990	(1,523,945)	(43,190)	1,480,755
FUND BALANCES - JANUARY 1		7,231,068	7,231,068		1,502,951	1,502,951
FUND BALANCES - DECEMBER 31	$ (1,377,402)	$ 8,909,009	$ 10,157,058	$ (1,523,945)	$ 1,459,761	$ 2,983,706

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 and Recreation, Police Department Special Projects, Summer Academic and Culture Enrichment Program, and 2017 Sales Tax.

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 Permanent Funds as reported with other funds in the aggregate.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Other Funds in the Aggregate (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, 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.

<u>Basis of Accounting</u>

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)	$	3,740,231	$	3,745,890
Collateralized:				
Collateral held by the City's agent, pledging bank, or pledging bank's trust department or agent in the City's name		9,088,639		9,535,649
U.S. government guaranteed accounts		25,226,110		25,226,109
Total Deposits	$	38,054,980	$	38,507,648

The above total deposits do not include cash on hand of $8,865.

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, 2017 Fair Value	
Permanent	$	29,437
Pension Trust		27,164,716
Totals	$	27,194,153

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

- **Level I** – quoted prices in active markets for identical assets
- **Level II** – significant other observable assumptions (e.g., quoted prices for similar instruments in active or inactive markets, etc.)
- **Level III –** significant unobservable assumptions (i.e., prices or valuations using unobservable techniques supported by little or no market activity.)

NOTE 4: Public Fund Investments (Continued)

The City's investments are composed of the following:

December 31, 2017 Investment Type	Quoted Prices in Active Markets for Identical Investments Level I	Other Observable Inputs Level II	Total
Mortgage-backed bonds		$ 4,263,351	$ 4,263,351
Corporate bonds		6,042,369	6,042,369
Stocks	$ 3,502,285		3,502,285
Municipal obligations		821,033	821,033
Mutual funds	12,565,115		12,565,115
Totals	$ 16,067,400	$ 11,126,753	$ 27,194,153

The fair value of stocks and mutual funds is measured on a recurring basis and is based on quoted marked prices obtained from independent pricing sources. Municipal obligations, mortgage-backed and corporate bonds are valued at fair value using quoted market prices from third parties that use, as their basis readily observable market inputs, such as yields o 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, 2017, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Federal aid			$ 64,038
Property taxes	$ 273,133	$ 53,277	50,521
Franchise fees	101		251,385
Sales taxes	1,370,518		340,112
Fines, forfeitures, and costs	20,430		
Interest			87,650
Sanitation fees	234,601		
Other	42,840	153	8,023
Totals	$ 1,941,623	$ 53,430	$ 801,729

NOTE 6: Accounts Payable

The accounts payable balance at December 31, 2017, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Vendor payables	$ 434,330	$ 46,719	$ 25,678
Retirement payable	344,975	10,217	15,644
Payroll taxes payable			2,450
Other	42,441		245,000
Totals	$ 821,746	$ 56,936	$ 288,772

NOTE 7: Interfund Balances

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2017	
Fund	Interfund Receivables	Interfund Payables
General Fund	$ 519,207	
Street Fund		$ 8,110
Other Funds in the Aggregate:		
Special Revenue Funds:		
Community development		122,929
Jail fees		52,556
Grants		50,447
Transit		285,165
Capital Projects Funds:		
Library construction series 2017	1,891	
Debt Service Funds:		
Library property tax bond 2017		1,891
Totals	$ 521,098	$ 521,098

Interfund receivables and payables consist of errors in depositing restricted revenues, matching grant funds and reimbursements for expenditures paid by the General Fund. All interfund receivables and payables were repaid in 2018 except for $104,203 payable to the general fund. These payables consist of the following: Transit - $6,827; Community Development - $46,929, and grant fund of $50,447. These balances are expected to be repaid when the funds become available.

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, 2017, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Nonspendable:			
Social services	-		$ 497,678
Restricted for:			
General government	$ 146,000		134,400
Law enforcement	-		455,782
Highways and streets	-	$ 1,181,061	-
Public safety	25,429		-
Recreation and culture	419		-
Pension benefits	-		30,265,537
Capital outlay	-		19,446,299
Debt service	-		2,449,358
Total Restricted	171,848	1,181,061	52,751,376
Committed for:			
Recreation and culture	-		341,296
Capital outlay	-		2,334,960
Total Committed	-	-	2,676,256
Assigned to:			-
General government	706,289		200
Law enforcement	6,752		-
Highways and streets	-	278,700	-
Recreation and culture	115,203		367,948
Capital outlay	24,059		-
Total Assigned	852,303	278,700	368,148
Unassigned	7,884,858		(25,121)
Totals	$ 8,909,009	$ 1,459,761	$ 56,268,337

NOTE 10: Deficit Fund Balances

The following funds have deficit fund balances as of December 31, 2017:

	December 31, 2017
Other Funds in the Aggregate:	
Special Revenue Funds:	
Transit	$ (25,121)

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, 2017, the legal debt limit for the bonded debt was $73,832,477. There were no property tax secured bond issues subject to the constitutional limitation. As discussed in Note 14, the City approved an additional 3 mills property tax to secure payment for certain library bonds; however, these are not subject any constitutional or statutory limitation.

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, 2017, the legal debt limit for short-term financing obligations was $20,219,431. The amount of short-term financing obligations, was $1,087,060, leaving a legal debt margin of $19,132,371.

NOTE 12: Commitments

Total commitments consist of the following at December 31, 2017:

	December 31, 2017
Long-term liabilities	$44,432,331
Construction contracts	778,637
Total Commitments	$45,210,968

NOTE 12: Commitments (Continued)

Long-term liabilities

Long-term liabilities at December 31, 2017, are comprised of the following:

	December 31, 2017
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.	$ 5,040,000
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.	3,020,000
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.	6,670,000
Library Property Tax Construction Bonds, Series 2017, annual installments beginning February 1, 2018, with the final settlement due February 1, 2047, interest at 2.0 - 3.625%. Payments are to be made from the debt service fund.	13,355,000
Sales and Use Tax Refunding Bonds, Series 2017A, annual installments beginning October 1, 2017, with the final settlement due October 1, 2036, interest at 2.0 - 3.8%. Payments are to be made from the Debt Service Fund.	6,320,000
Sales and Use Tax Refunding Bonds, Series 2017B, annual installments beginning October 1, 2018, with the final settlement due October 1, 2036, interest at 2.0 - 3.75%. Payments are to be made from the Debt Service Fund.	4,480,000
2015 promissory note with Simmons First National Bank for the purchase of three 2016 Dodge Chargers 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.	94,702
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.	138,606
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.	75,312
2017 installment contract with US Bancorp Government Leasing and Finance for the purchase of 19 vehicles; annual installments of $165,236 for three years at 1.94% interest with the final installment due April 14, 2020. Payments are to be made from the General Fund.	477,080
2017 installment contract with US Bancorp Government Leasing and Finance for the purchase of police car camera system; annual installments of $64,270 for five years at 2.18% interest with the final installment due April 14, 2022. Payments are to be made from the General Fund.	301,360
Compensated absences	4,460,271
Total Long-term liabilities	$ 44,432,331

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, 2017:

Years Ending December 31,	Bonds	Notes	Total
2018	$ 2,499,111	$ 438,822	$ 2,937,933
2019	2,663,859	337,927	3,001,786
2020	2,655,161	229,507	2,884,668
2021	2,654,960	64,270	2,719,230
2022	2,486,819	64,271	2,551,090
2023 through 2027	12,288,059		12,288,059
2028 through 2032	10,519,259		10,519,259
2033 through 2037	8,834,506		8,834,506
2038 through 2042	6,204,112		6,204,112
2043 through 2047	5,584,925		5,584,925
Total Obligations	56,390,771	1,134,797	57,525,568
Less Interest	17,505,771	47,737	17,553,508
Total Principal	$ 38,885,000	$ 1,087,060	$ 39,972,060

Construction Contracts

The City was contractually obligated for the following construction contracts at December 31, 2017:

Project Name	Estimated Completion Date	Contract Balance December 31, 2017
Street Drainage Project	Completed April 2018	$ 83,151
Main Street Streetscape Project	September 2018	400,788
Lake Saracen Walking Trail	Completed March 2018	23,238
Multi-purpose Aquatic Center	June 2019	244,460
West Barraque Sanitary Sewer Extension	Completed June 2018	27,000
Total Construction Contracts		$ 778,637

NOTE 13: Debt Refunding

A. Sales and Use Tax Improvement Bonds, Series 2011

On July 27, 2017, the City issued $6,450,000 in sales and use tax refunding bonds, with interest rates from 2 to 3.8 percent, to advance refund $7,045,000 of outstanding bonds dated October 15, 2011, with interest rates from 2 to 4.625 percent. Bond proceeds of $6,311,648, along with debt service reserves of $733,352, were remitted to an escrow agent to advance refund the 2011 bonds. Net bond issuance costs associated with the refunding, including bond premium of $14,465, were $138,352.

B. Sales and Use Tax Improvement Bonds, Series 2012

On November 28, 2017, the City issued $4,480,000 in sales and use tax refunding bonds, with interest rates from 2 to 3.75 percent, to advance refund $4,540,000 of outstanding bonds dated August 1, 2012, with interest rates from 1 to 4.125 percent. Bond proceeds of $4,368,199, along with debt service reserves of $171,801, were remitted to an escrow agent to advance refund the 2012 bonds. Net bond issuance costs associated with the refunding, including bond premium of $5,469, were $111,801.

NOTE 14: **Interfund Transfers**

The General Fund transferred $165,438 to the Other Funds in the Aggregate for the following: $96,418 to the Community Development Fund to provide matching grant funds, and $69,020 to supplement the Southeast Arkansas Arts and Science Center Commission Fund. The Street Fund transferred $245,514 to the Other Funds in the Aggregate, Transit Fund, for matching federal transportation funds. The Other Funds in the Aggregate transferred $4,865,545 to the General Fund for the following: $2,912,619 from the Sales and Use Tax Bonds Debt Service Fund for sales tax collected in excess of debt service requirement, and $1,952,926 from the Franchise Fee Bonds Debt Service Fund for franchise fees collected in excess of debt service requirements.

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 that were issued in 2014 to refund the 2009 series refunding and acquisition bonds to provide funding for various capital projects. Total principal and interest remaining on the bonds are $5,040,000 and $1,353,110, respectively, payable through May 2039. For 2017, principal and interest paid were $350,000 and $164,685, respectively.

The City pledged future franchise fees to repay $3,080,000 in capital improvement revenue bonds that were issued in 2016 for various capital improvements. Total principal and interest remaining on the bonds are $3,020,000 and $1,658,010, respectively, payable through May 2046. For 2017, principal and interest paid were $60,000 and $103,514, respectively.

The Debt Service Fund received $2,714,364 in franchise fees in 2017. Any franchise fees collected in excess of debt service payments on these bonds is permitted to be used for other city expenditures.

B. Sales and Use Tax

The City pledged future five-eighths percent sales and use taxes to repay $3,190,000 in bonds that were issued in 2016 for various capital improvements, and to repay $10,930,000 in refunding bonds that were issued in 2017 to refund capital improvement bonds issued in 2011 and 2012. Total principal and interest remaining on the bonds are $6,670,000 and $3,738,146, respectively, for the 2016 issue, and $10,800,000 and $3,359,431, respectively, for the 2017 issue. Final maturity for both the 2016 and 2017 issues is October 2036. For 2017, principal and interest paid were $135,000 an $226,100, respectively for the 2016 issue, and $130,000 and $32,002, respectively, for the 2017 issue.

The Debt Service Fund received $4,309,808 in sales taxes in 2017. Any sales taxes collected in excess of debt service payments on these bonds may be used for other city expenditures.

NOTE 15: Pledged Revenues (Continued)

C. Property Tax

The City pledged future proceeds of a three mil property tax levy to repay $13,355,000 in bonds that were issued in 2017 for the construction of a new library. The total principal and interest remaining on the bonds are $13,355,000 and $7,397,074, respectively, payable through February 2047. There were no principal or interest payments due during 2017.

The Debt Service Fund received $1,031,786 in property taxes in 2017. The proceeds of the tax levy cannot be used for any purpose other than payment of debt service on the bonds.

NOTE 16: Joint Venture

A. Metropolitan Emergency Communications Association

The City of Pine Bluff belongs to the Metropolitan Emergency Communications Association (MECA), as setup by an amended interlocal 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 MECA $669,292 in 2017. Financial information may be obtained at 101 East Barraque Street, Pine Bluff, Arkansas 71601.

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 (System) is composed of five 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 System. The Board shall fix the number and salaries of employees of the System. The City paid the System $609,428 in 2017. 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 and 2015 in excess of Arkansas Municipal League's coverage totaled $92,500 and $175,000 respectively. There were no settlements made in 2017. 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. On July 27, 2017, the City agreed to join the Local Police and Fire Retirement System (LOPFI) by transferring $14,626,389 into the LOPFI System. Based on the December 31, 2016 actuarial valuation, the plan has a net pension liability of $13,924,594.

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)**

On July 27, 2017, administration of the City of Pine Bluff Policemen's Pension and Relief Fund was transferred to LOPFI. The benefit structure of these plans was not changed.

Funding Policy

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

A. Paid service not covered by Social Security: 8.5% of gross pay

B. Paid service also covered by Social Security: 2.5% of gross pay

C. Volunteer fire service: no employee contribution

The City is required to contribute at an actuarially determined rate. The contribution requirements of plan members are established and may be amended by State law. The contribution requirements of the City are established and may be amended by the LOPFI Board of Trustees. The plan is also funded with state insurance tax. The City's contribution to the plan was $16,573,277 (includes $14,626,389 Police Pension Plan transferred to LOPFI) and the amount of insurance tax paid by the state to the plan for the benefit of the City was $1,176,170 for the year ended December 31, 2017.

Net Pension Liability

The City's proportionate share of the collective net pension liability at December 31, 2017 (actuarial valuation date and measurement date) was $19,329,815.

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 $7,165 for the year ended June 30, 2017.

Net Pension Liability

The City of Pine Bluff's District Court's proportionate share of the collective net pension liability at June 30, 2017 (actuarial valuation date and measurement date) was $95,986.

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 $495,440 for the year ended December 31, 2017. Based on the December 31, 2017 actuarial valuation, the plan has an net pension asset of $926,556.

NOTE 22: Subsequent Events

On March 10, 2018, the City received major hail damage to various buildings and vehicles throughout the city. The estimated cost for building repairs and insurance proceeds to pay for the damages is approximately $16,000,000 and the estimated cost for vehicle repairs is approximately $191,895.

Schedule 1

CITY OF PINE BLUFF, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2017

	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	Department of Housing and Urban Development Storm Recovery Drainage Grant	Transit
ASSETS										
Cash and cash equivalents	$ 190,815	$ 1,194	$ 82,550	$ 328,444	$ 711,997	$ 64,815	$ 104,583	$ 32,717	$ 4,074	$ 211,124
Investments										
Accounts receivable	19,270									52,791
Interfund receivables										
TOTAL ASSETS	$ 210,085	$ 1,194	$ 82,550	$ 328,444	$ 711,997	$ 64,815	$ 104,583	$ 32,717	$ 4,074	$ 263,915
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	$ 11,960				$ 2,753			$ 188		$ 3,871
Interfund payables	122,929		$ 52,556				$ 50,447			285,165
Settlements pending										
Total Liabilities	134,889		52,556		2,753		50,447	188		289,036
Fund Balances:										
Nonspendable										
Restricted	75,196	$ 1,194	29,994	$ 328,444		$ 64,815	53,936	32,529	$ 4,074	
Committed					341,296					
Assigned					367,948		200			
Unassigned										(25,121)
Total Fund Balances	75,196	1,194	29,994	328,444	709,244	64,815	54,136	32,529	4,074	(25,121)
TOTAL LIABILITIES AND FUND BALANCES	$ 210,085	$ 1,194	$ 82,550	$ 328,444	$ 711,997	$ 64,815	$ 104,583	$ 32,717	$ 4,074	$ 263,915

Schedule 1

CITY OF PINE BLUFF, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2017

	CAPITAL PROJECTS FUNDS					DEBT SERVICE FUNDS		
	Sales and Use Tax Capital Improvements Series 2012	Capital Improvement Series 2014	Sales and Use Tax Capital Improvements Series 2016	Capital Improvements Series 2016	Library Construction Series 2017	Sales and Use Tax Bonds	Franchise Fee Bonds	Library Property Tax Bond 2017
ASSETS								
Cash and cash equivalents	$ 991,946	$ 22,348	$ 5,787,158	$ 2,312,612	$ 12,665,304	$ 538,643	$ 310,670	$ 984,918
Investments								
Accounts receivable						340,112	251,385	50,521
Interfund receivables					1,891			
TOTAL ASSETS	$ 991,946	$ 22,348	$ 5,787,158	$ 2,312,612	$ 12,667,195	$ 878,755	$ 562,055	$ 1,035,439
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable						$ 25,000		
Interfund payables								$ 1,891
Settlements pending								
Total Liabilities						25,000		1,891
Fund Balances:								
Nonspendable								
Restricted	$ 991,946		$ 5,787,158		$ 12,667,195	853,755	$ 562,055	1,033,548
Committed		$ 22,348		$ 2,312,612				
Assigned								
Unassigned								
Total Fund Balances	991,946	22,348	5,787,158	2,312,612	12,667,195	853,755	562,055	1,033,548
TOTAL LIABILITIES AND FUND BALANCES	$ 991,946	$ 22,348	$ 5,787,158	$ 2,312,612	$ 12,667,195	$ 878,755	$ 562,055	$ 1,035,439

Schedule 1

CITY OF PINE BLUFF, ARKANSAS
COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
REGULATORY BASIS
DECEMBER 31, 2017

	PERMANENT FUND	TRUST FUND	AGENCY FUNDS				
	Cemetery Trust	City Retirement	District Court (Division 1)	District Court (Division 2)	Payroll	Health Insurance Premium	Totals
ASSETS							
Cash and cash equivalents	$ 468,241	$ 3,258,171	$ 114,301	$ 47,039	$ 55,800	$ 33,079	$ 29,322,543
Investments	29,437	27,164,716					27,194,153
Accounts receivable		87,650					801,729
Interfund receivables							1,891
TOTAL ASSETS	$ 497,678	$ 30,510,537	$ 114,301	$ 47,039	$ 55,800	$ 33,079	$ 57,320,316
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable		$ 245,000					$ 288,772
Interfund payables							512,988
Settlements pending			$ 114,301	$ 47,039	$ 55,800	$ 33,079	250,219
Total Liabilities		245,000	114,301	47,039	55,800	33,079	1,051,979
Fund Balances:							
Nonspendable	$ 497,678						497,678
Restricted		30,265,537					52,751,376
Committed							2,676,256
Assigned							368,148
Unassigned							(25,121)
Total Fund Balances	497,678	30,265,537					56,268,337
TOTAL LIABILITIES AND FUND BALANCES	$ 497,678	$ 30,510,537	$ 114,301	$ 47,039	$ 55,800	$ 33,079	$ 57,320,316

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, 2017

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					$ 14,517			
Federal aid	$ 883,298					$ 26,260	$ 105,737	
Property taxes								
Franchise fees								
Sales taxes								
Fines, forfeitures, and costs			$ 86,841	$ 67,375				$ 67,680
Interest			141	455	189	270		159
Local permits and fees					171,156			
Transit fees								
Donations					157,802			
Employer contribution								
Employee contribution								
Net increase (decrease) in the fair value of investments								
Other	189,774				82,817	6,100	147,606	
TOTAL REVENUES	1,073,072		86,982	67,830	426,481	32,630	253,343	67,839
EXPENDITURES								
Current:								
General government	1,095,477						1,120	
Law enforcement			67,556	16,127		76,962	81,462	
Highways and streets							1,932	
Sanitation							183,712	
Recreation and culture					512,187		274,128	
Social services								
Transit								
Total Current	1,095,477		67,556	16,127	512,187	76,962	542,354	
Debt Service:								
Bond principal								
Bond interest and other charges								
Note principal	4,556							88,444
Note interest	315							3,324
TOTAL EXPENDITURES	1,100,348		67,556	16,127	512,187	76,962	542,354	91,768
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(27,276)		19,426	51,703	(85,706)	(44,332)	(289,011)	(23,929)
OTHER FINANCING SOURCES (USES)								
Transfers in	96,418				69,020			
Transfers out								
Transfer to Arkansas Local Police and Fire Retirement System								
Bond proceeds								
Payment to refunding bond escrow agent								
TOTAL OTHER FINANCING SOURCES (USES)	96,418				69,020			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	69,142		19,426	51,703	(16,686)	(44,332)	(289,011)	(23,929)
FUND BALANCES - JANUARY 1	6,054	$ 1,194	10,568	276,741	725,930	109,147	343,147	56,458
FUND BALANCES - DECEMBER 31	$ 75,196	$ 1,194	$ 29,994	$ 328,444	$ 709,244	$ 64,815	$ 54,136	$ 32,529

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, 2017

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS 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	Library Construction Series 2017
REVENUES							
State aid		$ 245,955					
Federal aid		688,895					
Property taxes							
Franchise fees							
Sales taxes							
Fines, forfeitures, and costs							
Interest		223	$ 7,238	$ 187	$ 37,443	$ 14,939	$ 56,931
Local permits and fees							
Transit fees		50,620					
Donations							
Employer contribution							
Employee contribution							
Net increase (decrease) in the fair value of investments							
Other		9,455					
TOTAL REVENUES		995,148	7,238	187	37,443	14,939	56,931
EXPENDITURES							
Current:							
General government			234,162	10,767	145,110		
Law enforcement							
Highways and streets			19,515			690,686	
Sanitation							
Recreation and culture					466,682		744,736
Social services							
Transit		1,208,474					
Total Current		1,208,474	253,677	10,767	611,792	690,686	744,736
Debt Service:							
Bond principal							
Bond interest and other charges							
Note principal							
Note interest							
TOTAL EXPENDITURES		1,208,474	253,677	10,767	611,792	690,686	744,736
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		(213,326)	(246,439)	(10,580)	(574,349)	(675,747)	(687,805)
OTHER FINANCING SOURCES (USES)							
Transfers in		245,514					
Transfers out							
Transfer to Arkansas Local Police and Fire Retirement System							
Bond proceeds							13,355,000
Payment to refunding bond escrow agent							
TOTAL OTHER FINANCING SOURCES (USES)		245,514					13,355,000
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES		32,188	(246,439)	(10,580)	(574,349)	(675,747)	12,667,195
FUND BALANCES - JANUARY 1	$ 4,074	(57,309)	1,238,385	32,928	6,361,507	2,988,359	
FUND BALANCES - DECEMBER 31	$ 4,074	$ (25,121)	$ 991,946	$ 22,348	$ 5,787,158	$ 2,312,612	$ 12,667,195

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, 2017

Schedule 2

	DEBT SERVICE FUNDS			PERMANENT FUND	TRUST FUNDS		
	Sales and Use Tax Bonds	Franchise Fee Bonds	Library Property Tax Bond 2017	Cemetery Trust	City Retirement	Policemen's Pension and Relief	Totals
REVENUES							
State aid						$ 235,173	$ 495,645
Federal aid							1,704,190
Property taxes			$ 1,031,786			355,910	1,387,696
Franchise fees		$ 2,714,364					2,714,364
Sales taxes	$ 4,309,808						4,309,808
Fines, forfeitures, and costs						75,859	297,755
Interest	10,112	1,670	1,762	$ 10,102	$ 672,738	290,746	1,105,305
Local permits and fees							171,156
Transit fees							50,620
Donations							157,802
Employer contribution					495,440		495,440
Employee contribution					214,090		214,090
Net increase (decrease) in the fair value of investments				(179)	2,311,726	894,413	3,205,960
Other					1,864	75,596	513,212
TOTAL REVENUES	4,319,920	2,716,034	1,033,548	9,923	3,695,858	1,927,697	16,823,043
EXPENDITURES							
Current:							
General government	250,153				1,905,201		3,641,990
Law enforcement						2,245,600	2,487,707
Highways and streets							712,133
Sanitation							183,712
Recreation and culture							1,997,733
Social services				4,945			4,945
Transit							1,208,474
Total Current	250,153			4,945	1,905,201	2,245,600	10,236,694
Debt Service:							
Bond principal	440,000	410,000					850,000
Bond interest and other charges	665,848	274,660					940,508
Note principal							93,000
Note interest							3,639
TOTAL EXPENDITURES	1,356,001	684,660		4,945	1,905,201	2,245,600	12,123,841
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,963,919	2,031,374	1,033,548	4,978	1,790,657	(317,903)	4,699,202
OTHER FINANCING SOURCES (USES)							
Transfers in							410,952
Transfers out	(2,912,619)	(1,952,926)					(4,865,545)
Transfer to Arkansas Local Police and Fire Retirement System						(14,626,389)	(14,626,389)
Bond proceeds	10,930,000						24,285,000
Payment to refunding bond escrow agent	(11,585,000)						(11,585,000)
TOTAL OTHER FINANCING SOURCES (USES)	(3,567,619)	(1,952,926)				(14,626,389)	(6,380,982)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(603,700)	78,448	1,033,548	4,978	1,790,657	(14,944,292)	(1,681,780)
FUND BALANCES - JANUARY 1	1,457,455	483,607		492,700	28,474,880	14,944,292	57,950,117
FUND BALANCES - DECEMBER 31	$ 853,755	$ 562,055	$ 1,033,548	$ 497,678	$ 30,265,537	$ 0	$ 56,268,337

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 States 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.

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.
Library Construction Series 2017	Pine Bluff Ordinance nos. 6549 (August 26, 2016) and 6566 (April 3, 2017) authorized the issuance of library property tax revenue construction bonds. Established to account for the disbursement of debt proceeds for library construction.
Sales and Use Tax Bonds Debt Service	Pine Bluff Ordinance nos. 6545 (July 18. 2016), 6576 (June 19, 2017), and 6582 (October 16, 2017), authorized the issuance of sales and use tax bonds. Established to account for the accumulation of resources to retire bonded debt secured by a pledge of future sales and use taxes.
Franchise Fee Bonds Debt Service	Pine Bluff Ordinance nos. 6481 (March 17, 2014) and 6547 (August 15, 2016) authorized the issuance of franchise fee revenue bonds. Established to account for the accumulation of resources to retire the debt.
Library Property Tax Bond 2017	Pine Bluff Ordinance nos. 6549 (August 26, 2016) and 6566 (April 3, 2017) authorized the issuance of library property tax revenue construction bonds. Established to account for the accumulation of resources to retire the debt.

CITY OF PINE BLUFF, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2017

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

Fund Name	Fund Description
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.
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, 2017
(Unaudited)

Schedule 3

	December 31, 2017
Land	$ 604,627
Buildings	31,869,037
Infrastructure	19,503,829
Improvements	8,684,864
Heavy equipment	10,917,101
Vehicles	6,730,461
Equipment	3,829,112
Total	$82,139,031

CITY OF PINE BLUFF, ARKANSAS

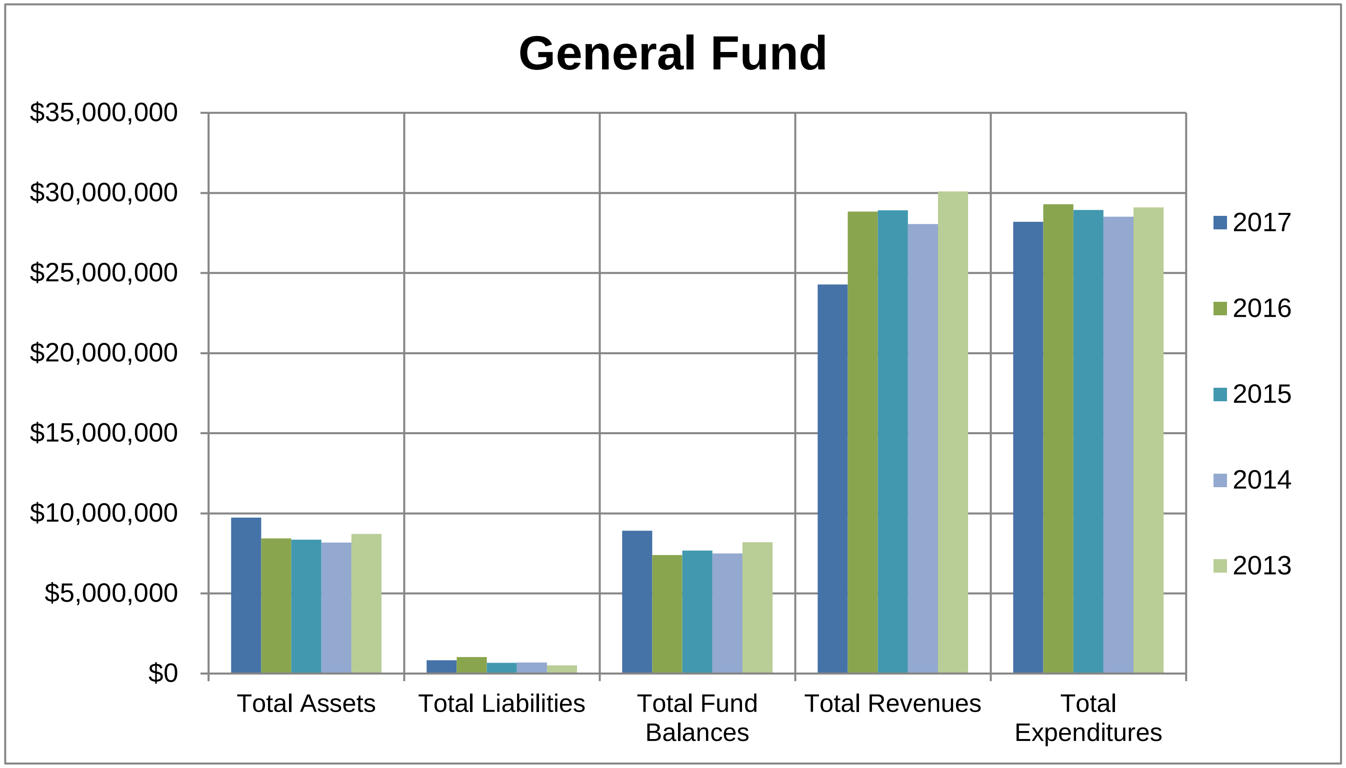
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS

DECEMBER 31, 2017

(Unaudited)

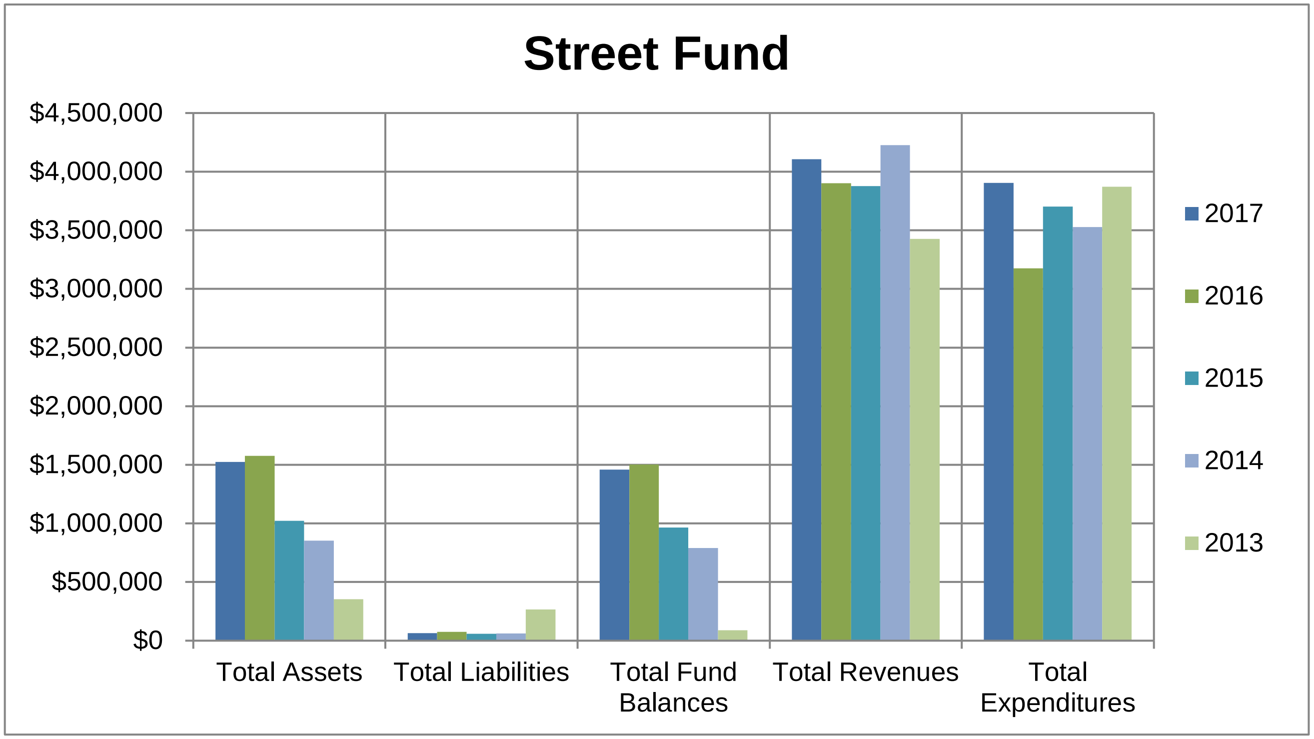
Schedule 4-1

General	2017	2016	2015	2014	2013
Total Assets	$ 9,730,755	$ 8,439,046	$ 8,348,520	$ 8,183,923	$ 8,713,056
Total Liabilities	821,746	1,032,432	667,859	696,231	508,472
Total Fund Balances	8,909,009	7,406,614	7,680,661	7,487,692	8,204,584
Total Revenues	24,291,134	28,839,021	28,913,985	28,053,602	30,084,182
Total Expenditures	28,201,035	29,292,021	28,926,631	28,511,861	29,092,205
Total Other Financing Sources/Uses	5,587,842	178,953	205,615	(38,005)	306,427



CITY OF PINE BLUFF, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - STREET FUND - REGULATORY BASIS
DECEMBER 31, 2017
(Unaudited)

Street	2017	2016	2015	2014	2013
Total Assets	$ 1,524,807	$ 1,577,083	$ 1,023,460	$ 851,718	$ 354,642
Total Liabilities	65,046	74,132	58,171	61,320	264,909
Total Fund Balances	1,459,761	1,502,951	965,289	790,398	89,733
Total Revenues	4,105,976	3,902,782	3,877,649	4,227,291	3,426,927
Total Expenditures	3,903,652	3,175,779	3,702,758	3,526,626	3,871,433
Total Other Financing Sources/Uses	(245,514)	(189,341)			



CITY OF PINE BLUFF, ARKANSAS
SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
DECEMBER 31, 2017
(Unaudited)

Other Funds in the Aggregate	2017	2016	2015	2014	2013
Total Assets	$ 57,320,316	$ 58,849,080	$ 44,730,799	$ 48,866,715	$ 50,538,938
Total Liabilities	1,051,979	898,963	1,078,925	1,019,214	1,346,724
Total Fund Balances	56,268,337	57,950,117	43,651,874	47,847,501	49,192,214
Total Revenues	16,823,043	9,399,669	9,684,055	9,478,315	6,748,247
Total Expenditures	12,123,841	9,494,224	14,224,068	12,324,978	14,163,268
Total Other Financing Sources/Uses	(6,380,982)	10,117,493	344,386	1,281,322	(6,015,669)