

**City of Camden, Arkansas**

**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2024**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas

**Sen. Jim Petty**  
Senate Chair  
**Sen. Jim Dotson**  
Senate Vice Chair



**Rep. Robin Lundstrum**  
House Chair  
**Rep. RJ Hawk**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Independent Auditor's Report

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

#### **Report on the Audit of the Financial Statements**

##### ***Opinions***

We have audited the regulatory basis financial statements of the City of Camden, Arkansas (City), which are comprised of the Balance Sheet – Regulatory Basis for the general fund, street fund, and other funds in the aggregate as of December 31, 2024; the related Statement of Revenues, Expenditures, and Changes in Fund Balances – Regulatory Basis; the Statement of Revenues, Expenditures, and Change in Fund Balances – Budget and Actual – General and Street Funds – Regulatory Basis for the year then ended; and the related notes to the financial statements.

##### ***Unmodified Opinions on Regulatory Basis of Accounting***

In our opinion, the accompanying regulatory basis financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, street fund, and other funds in the aggregate of the City of Camden, Arkansas as of December 31, 2024; the regulatory basis revenues, expenditures, and changes in fund balance; and the budgetary comparisons for the general fund and street fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

##### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying regulatory basis financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the general fund, street fund, and other funds in the aggregate of the City of Camden, Arkansas, as of December 31, 2024, or the revenues, expenditures, and changes in fund balance and, where applicable, cash flows thereof for the year then ended.

##### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

##### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the financial statements are prepared by the City on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements permitted by the State of Arkansas.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the City would have included another fund under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. However, under the regulatory basis, this fund is not required to be included as part of the reporting entity. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatements of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the regulatory basis financial statements as a whole. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory basis financial statements or to the regulatory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information listed in the table of contents is fairly stated in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

**Other Information**


Management is responsible for the other information included in the report. The other information is comprised of the schedules listed in the table of contents but does not include the regulatory basis financial statements, supplemental information, and our auditor's reports thereon. Our opinions on the regulatory basis financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the regulatory basis financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of the testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
December 30, 2025  
LOM101724

# Arkansas



**Sen. Jim Petty**  
Senate Chair  
**Sen. Jim Dotson**  
Senate Vice Chair

**Rep. Robin Lundstrum**  
House Chair  
**Rep. RJ Hawk**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

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

### Independent Auditor's Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory basis financial statements of the general fund, street fund, and other funds in the aggregate of City of Camden, Arkansas (City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's regulatory basis financial statements, and have issued our report thereon dated December 30, 2025. We issued an adverse opinion because the financial statements are prepared by the City on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, street fund, and other funds in the aggregate were unmodified.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 or significant deficiencies may exist that were not identified.

### Report on Compliance and Other Matters

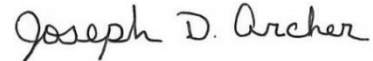
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also reported to management of the City in a separate letter dated December 30, 2025.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record, and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT



Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
December 30, 2025

# Arkansas



**Sen. Jim Petty**  
Senate Chair  
**Sen. Jim Dotson**  
Senate Vice Chair

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Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2024:

Mayor: Charlotte Young  
Treasurer: Donna Stewart (Interim March 12, 2024 – December 31, 2024)  
Lauren Robertson (Resigned February 14, 2024)  
City Clerk: Donna Stewart  
District Court Clerk: Victoria Huggins  
Police Chief: Royce Carpenter (Interim, June 29, 2024 – December 31, 2024)  
Boyd Woody (Retired June 28, 2024)

We would like to communicate the following items that came to our attention during this audit. The purpose of such comments is to provide constructive feedback and guidance, in an effort to assist management in maintaining a satisfactory level of compliance with the state constitution, laws and regulations, and to improve internal control. These matters were discussed previously with City officials during the course of our audit fieldwork and at the exit conference.

#### **Mayor**

Compensated absences records were not maintained in accordance with the City's policy manual. A similar finding was issued in the previous four reports dating back to 2019.

#### **Treasurer**

The annual financial statements were not published or posted, as required by Ark. Code Ann. § 14-59-116.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink that reads "Joseph D. Archer".

Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
December 30, 2025

CITY OF CAMDEN, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2024

Exhibit A

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,027,984	\$ 720,469	\$ 3,993,165
Accounts receivable	533,015	5,810	102,790
Interfund receivables			91,245
	<u>4,560,999</u>	<u>726,279</u>	<u>4,187,200</u>
<b>TOTAL ASSETS</b>			
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 26,929	\$ 7,963	\$ 31,055
Interfund payables	91,245		
Settlements pending			519,896
Total Liabilities	<u>118,174</u>	<u>7,963</u>	<u>550,951</u>
Fund Balances:			
Restricted	84,415	55,305	2,454,006
Committed			75,026
Assigned	36,252	663,011	1,107,217
Unassigned	4,322,158		
Total Fund Balances	<u>4,442,825</u>	<u>718,316</u>	<u>3,636,249</u>
	<u>\$ 4,560,999</u>	<u>\$ 726,279</u>	<u>\$ 4,187,200</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>			

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

CITY OF CAMDEN, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit B

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 157,815	\$ 975,106	\$ 31,995
Federal aid	271,041		659,964
Property taxes	769,049	162,215	107,686
Franchise fees	892,537		
Sales taxes	5,621,766		1,108,433
Fines, forfeitures, and costs	188,667		
Interest	26,416	4,221	52,909
Local permits and fees	81,200		
Sanitation fees			581,591
Advertising and promotion taxes			337,097
Airport rentals			212,515
Gas sales			298,772
Other	178,056	45,032	6,619
	<u>8,186,547</u>	<u>1,186,574</u>	<u>3,397,581</u>
TOTAL REVENUES			
EXPENDITURES			
Current:			
General government	1,366,927		229,211
Law enforcement	3,570,839		
Highways and streets	429,127	1,625,536	
Public safety	2,601,477		13,137
Sanitation	16,686		1,506,535
Recreation and culture	576,172		308,908
Airport			1,170,962
Total Current	<u>8,561,228</u>	<u>1,625,536</u>	<u>3,228,753</u>
Debt Service:			
Bond principal	28,784		
Bond interest and other charges	48,687		
Financed purchase principal			31,020
	<u>8,638,699</u>	<u>1,625,536</u>	<u>3,259,773</u>
TOTAL EXPENDITURES			

CITY OF CAMDEN, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit B

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (452,152)</u>	<u>\$ (438,962)</u>	<u>\$ 137,808</u>
OTHER FINANCING SOURCES (USES)			
Transfers in		288,109	
Transfers out	(288,109)		
Contribution from South Central Service Cooperative	77,472		
Contributions to Camden-Ouachita County Library			(107,686)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(210,637)</u>	<u>288,109</u>	<u>(107,686)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(662,789)	(150,853)	30,122
FUND BALANCES - JANUARY 1	<u>5,105,614</u>	<u>869,169</u>	<u>3,606,127</u>
FUND BALANCES - DECEMBER 31	<u>\$ 4,442,825</u>	<u>\$ 718,316</u>	<u>\$ 3,636,249</u>

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

CITY OF CAMDEN, 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, 2024

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 200,000	\$ 157,815	\$ (42,185)	\$ 780,000	\$ 975,106	\$ 195,106
Federal aid	52,000	271,041	219,041			
Property taxes	588,500	769,049	180,549	135,000	162,215	27,215
Franchise fees	898,970	892,537	(6,433)			
Sales taxes	5,306,000	5,621,766	315,766			
Fines, forfeitures, and costs	275,569	188,667	(86,902)			
Interest	20,100	26,416	6,316	5,000	4,221	(779)
Local permits and fees	81,800	81,200	(600)			
Other	82,250	178,056	95,806	11,200	45,032	33,832
<b>TOTAL REVENUES</b>	<b>7,505,189</b>	<b>8,186,547</b>	<b>681,358</b>	<b>931,200</b>	<b>1,186,574</b>	<b>255,374</b>
EXPENDITURES						
Current:						
General government	1,237,815	1,366,927	(129,112)			
Law enforcement	3,082,976	3,570,839	(487,863)			
Highways and streets	752,000	429,127	322,873	1,765,320	1,625,536	139,784
Public safety	2,824,000	2,601,477	222,523			
Sanitation		16,686	(16,686)			
Recreation and culture	646,228	576,172	70,056			
<b>Total Current</b>	<b>8,543,019</b>	<b>8,561,228</b>	<b>(18,209)</b>	<b>1,765,320</b>	<b>1,625,536</b>	<b>139,784</b>
Debt Service:						
Bond principal	77,472	28,784	48,688			
Bond interest and other charges		48,687	(48,687)			
<b>TOTAL EXPENDITURES</b>	<b>8,620,491</b>	<b>8,638,699</b>	<b>(18,208)</b>	<b>1,765,320</b>	<b>1,625,536</b>	<b>139,784</b>

CITY OF CAMDEN, 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, 2024

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,115,302)	\$ (452,152)	\$ 663,150	\$ (834,120)	\$ (438,962)	\$ 395,158
OTHER FINANCING SOURCES (USES)						
Transfers in				100,000	288,109	188,109
Transfers out	(655,000)	(288,109)	366,891			
Contribution from South Central Service Cooperative	77,472	77,472	0			
TOTAL OTHER FINANCING SOURCES (USES)	(577,528)	(210,637)	366,891	100,000	288,109	188,109
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,692,830)	(662,789)	1,030,041	(734,120)	(150,853)	583,267
FUND BALANCES - JANUARY 1	697,565	5,105,614	4,408,049	734,120	869,169	135,049
FUND BALANCES - DECEMBER 31	\$ (995,265)	\$ 4,442,825	\$ 5,438,090	\$ 0	\$ 718,316	\$ 718,316

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

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

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

**A. Financial Reporting Entity**

The City of Camden 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 fund of the City would have been included in the reporting entity: Water and Sewer. However, under Arkansas's regulatory basis described below, inclusion of this fund is not required and this fund is not included in this report.

**B. Basis of Presentation – Regulatory**

The financial statements are presented in accordance with the regulatory basis of presentation as prescribed or permitted by Ark. Code Ann. § 10-4-412. The law requires that the financial statements be presented on a fund basis with, as a minimum, the general fund and street fund presented separately with all other funds included in the financial statements presented in the aggregate. This law also stipulates that the financial statements consist of a balance sheet; a statement of revenues, expenditures, and changes in fund balances; a comparison of the final adopted budget to the actual expenditures for the general and street funds; notes to financial statements; and a supplemental schedule of capital assets.

The regulatory basis of presentation is not in accordance with generally accepted accounting principles (GAAP). GAAP require that basic financial statements present government-wide and fund financial statements. Additionally, GAAP require the following major concepts: Management's Discussion and Analysis, separate financial statements for fiduciary fund types and other requirements for fiduciary fund types, specific procedures for the identification of major governmental funds, and applicable note disclosures. The regulatory basis of presentation does not require government-wide financial statements or the previously identified concepts.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with related liabilities and residual balances, and changes therein, which are segregated for purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds are recognized in the accompanying regulatory basis financial statements.

**General Fund** - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

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

**Enterprise Funds** – Enterprise funds are used to report activity that is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; activity that is legally required to recover its costs through fees or charges; or activity that the government's policy is to establish fees or charges designed to recover the cost of providing services. See Schedules 1 and 2 for the Enterprise Fund as reported with other funds in the aggregate.

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

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

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

**C. Basis of Accounting – Regulatory**

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

The regulatory basis of accounting is not in accordance with generally accepted accounting principles (GAAP). GAAP require the following major concepts: Accrual basis of accounting for government-wide financial statements, including depreciation expense, modified accrual basis of accounting for fund financial statements, separate identification of special and extraordinary items, inclusion of capital assets and debt in the financial statements, inclusion of the net pension liability in the financial statements, and applicable note disclosures. The regulatory basis of accounting does not require the previously identified concepts.

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

Cash and Cash Equivalents

For the purpose of financial reporting, “cash and cash equivalents” includes all demand, savings, and money market accounts, and certificates of deposit.

Settlements Pending

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

Fund Balance Classifications

1. Restricted fund balance - amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
2. Committed fund balance - amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council (passage of an ordinance).
3. Assigned fund balance - amounts that are constrained by the City Council's intent to be used for specific purposes but are neither restricted nor committed.
4. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**E. Property Taxes**

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

CITY OF CAMDEN, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2024

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

**F. Budget Law**

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

- a. Prior to December 1, the Mayor submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- b. The proposed budget is discussed at a City Council meeting prior to adoption.
- c. Prior to February 1, the budget is legally enacted by ordinance or resolution of the City Council.
- d. Appropriations lapse at the end of each year.
- e. Under certain conditions, the budget may be amended subsequent to the year-end.

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

Basis of Accounting

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

**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)	\$ 902,726	\$ 1,045,590
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the City's name	7,837,847	7,987,468
Total Deposits	\$ 8,740,573	\$ 9,033,058

The above total deposits do not include cash on hand of \$1,045.

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**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.

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2024, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Property taxes	\$ 25,931	\$ 5,810	
Franchise fees	16,750		
Sales taxes	464,164		\$ 90,693
Local permits and fees	20,001		
Sanitation fees			4,637
Airport rentals			7,460
Other	6,169		
<b>Totals</b>	<b>\$ 533,015</b>	<b>\$ 5,810</b>	<b>\$ 102,790</b>

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2024, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Vendor payables	\$ 26,929	\$ 7,963	\$ 31,055

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2024	
	Interfund Receivables	Interfund Payables
General Fund		\$ 91,245
Other Funds in the Aggregate:		
Special Revenue Funds:		
Solid Waste	\$ 91,245	
<b>Totals</b>	<b>\$ 91,245</b>	<b>\$ 91,245</b>

Interfund receivables and payables consist of errors in depositing restricted revenues and interfund loans. These balances were repaid in January 2025.

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 7: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2024, are composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government	\$ 1,224		\$ 2,037,453
Law enforcement	189		
Highways and streets		\$ 55,305	
Public safety			52,376
Airport			364,177
Debt service	83,002		
Total Restricted	<u>84,415</u>	<u>55,305</u>	<u>2,454,006</u>
Committed for:			
Airport			<u>75,026</u>
Assigned to:			
General government	36,252		
Highways and streets		663,011	
Sanitation			1,107,217
Total Assigned	<u>36,252</u>	<u>663,011</u>	<u>1,107,217</u>
Unassigned	<u>4,322,158</u>		
Totals	<u>\$ 4,442,825</u>	<u>\$ 718,316</u>	<u>\$ 3,636,249</u>

**NOTE 8: Legal Debt Limit**

A. Property Tax Secured Bonded Debt

The City is subject to a constitutional limitation for bonded indebtedness equal to 20% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2024, the legal debt limit for the bonded debt was \$20,863,192. 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, 2024, the legal debt limit for short-term financing obligations was \$5,932,514. The amount of short-term financing obligations was \$75,737, leaving a legal debt margin of \$5,856,777.

**NOTE 9: Commitments**

Total commitments consist of the following at December 31, 2024:

	December 31, 2024
Long-term liabilities	\$ 1,767,053
Construction contracts	<u>936,361</u>
Total Commitments	<u>\$ 2,703,414</u>

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 9: Commitments (Continued)**

Long-term liabilities

Long-term liabilities at December 31, 2024, are comprised of the following:

	December 31, 2024
 <u>Bonds</u>	
Education Center Revenue Bonds with the U.S. Department of Agriculture Rural Development, dated December 1, 2010, in the amount of \$1,586,000, for the construction of the South Central Service Cooperative building. Interest is at 3.75% with one interest only payment due December 1, 2011, and 468 monthly installments of \$6,456 beginning January 1, 2012 through December 1, 2050. Payments are to be made from the Debt Service account maintained in the General Fund.	\$ 1,282,649
 <u>Direct Borrowings</u>	
Financed purchase, dated April 5, 1999, in the amount of \$713,000, with the U.S. Department of Housing and Urban Development passed through the Arkansas Department of Economic Development to fund the construction of a 100' x 140' clear span metal building at the Camden Regional Airport to be owned and operated by the Camden Regional Airport Commission. This is a zero percent interest loan with a stipulation that the City has no loan payments due without tenant for the building. The City currently has leased the building to Aerojet Rocketdyne, INC at a rate of \$6,600 per month for the period August 1, 2023 through July 31, 2026. The City's monthly payment is \$2,585 payable through June 1, 2027, and is made from the Airport Fund.	75,737
Landfill closure and postclosure care costs	408,667
Total Long-term liabilities	\$ 1,767,053

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

The City's outstanding bonds payable of \$1,282,649 contain a provision that in an event of default, the Owner may, by proper suit, compel the performance of duties of the officials of the City under laws of the State of Arkansas.

The City's outstanding financed purchase from direct borrowings of \$75,737 contain a provision that in an event of default, at the Lender's option, the loan shall be accelerated and enforced as permitted by law.

Compensated Absences

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

Post Employment Benefits Other Than Pensions

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

Landfill Closure and Postclosure Care Costs

The City of Camden is the owner of permit # 0255-S4 to operate a Class IV solid waste landfill. State and federal regulations require a final cover to be placed on the landfill site when it stops accepting waste and the performance of certain maintenance and monitoring functions at the site for two years after the closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, a portion of these closure and postclosure care costs are being recognized as a commitment each year based on landfill capacity used as of the balance sheet date. The estimated commitment for the landfill closure and postclosure care costs has a balance of \$408,667 as of December 31, 2024. This represents the cumulative amount reported to date based on 88% usage of the landfill for 2024. The City will recognize the remaining estimated cost of closure and postclosure care of \$54,659 for 2024, as the remaining capacity is filled. At the present utilization rate, the landfill site is estimated to exhaust in 3.6 years from the balance sheet date of December 31, 2024.

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 9: Commitments (Continued)**

Landfill Closure and Postclosure Care Costs (Continued)

Estimated costs are based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2024. However, the actual cost of closure and postclosure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

In accordance with Ark. Code Ann. 8-6-1603, the City has provided financial assurance of \$135,000 in the form of a Contract of Obligation. This Contract of Obligation authorizes the State Treasurer to withhold from any funds being distributed from the State of Arkansas to the City of Camden the sum of \$135,000 upon receiving notice from the Director of the Division of Environmental Quality of the City's failure to properly close the disposal operation.

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2024	Maturities to December 31, 2024
<u>Bonds</u>					
12/1/10	12/1/50	3.75%	\$ 1,586,000	\$ 1,282,649	\$ 303,351
<u>Direct Borrowings</u>					
4/5/99	6/1/27	0.00%	713,000	75,737	637,263
Total Long-Term Debt			<u>\$ 2,299,000</u>	<u>\$ 1,358,386</u>	<u>\$ 940,614</u>

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
Bonds payable	\$ 1,311,433	\$ 0	\$ 28,784	\$ 1,282,649
<u>Direct Borrowings</u>				
Financed purchases	106,757	0	31,020	75,737
Total Long-Term Debt	<u>\$ 1,418,190</u>	<u>\$ 0</u>	<u>\$ 59,804</u>	<u>\$ 1,358,386</u>

Debt Service Requirements to Maturity

The City is obligated for the following amounts at December 31, 2024:

Years Ending December 31,	Bonds			Direct Borrowings
	Principal	Interest	Total	Principal
2025	\$ 29,790	\$ 47,682	\$ 77,472	\$ 31,020
2026	30,926	46,546	77,472	31,020
2027	32,106	45,366	77,472	13,697
2028	33,331	44,141	77,472	
2029	34,603	42,869	77,472	
2030 through 2034	193,852	193,508	387,360	
2035 through 2039	233,761	153,599	387,360	
2040 through 2044	281,888	105,472	387,360	
2045 through 2049	339,922	47,438	387,360	
2050	72,470	5,544	78,014	
Totals	<u>\$ 1,282,649</u>	<u>\$ 732,165</u>	<u>\$ 2,014,814</u>	<u>\$ 75,737</u>

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 9: Commitments (Continued)**

Construction Contracts

The City was contractually obligated for the following construction contracts at December 31, 2024:

<u>Project Name</u>	<u>Completed Date</u>	<u>Contract Balance December 31, 2024</u>
Timber Frames Solution - Pavillion	March 1, 2025	\$ 27,134
Airport Lighting Project	February 1, 2025	3,049
Playground Equipment Project - Carnes Park	March 31, 2025	259,189
Airport Hangar Project - Harrell Field	December 31, 2025	646,989
Total Construction Contracts		<u>\$ 936,361</u>

**NOTE 10: Pledged Revenues**

The City pledged future lease rental charges for the South Central Service Cooperative building to repay \$1,586,000 in bonds that were issued in 2010 to provide funding for the acquisition, construction, improvement, and equipment of educational and training facilities for public employees. The total principal and interest remaining on the bonds as of December 31, 2024, are \$1,282,649 and \$732,165, respectively, payable through December 1, 2050. For 2024, principal and interest paid were \$28,784 and \$48,687, respectively. The General Fund received \$77,472 in lease rentals in 2024. Any lease rentals collected in excess of debt service payments on these bonds is permitted to be used for major repairs, construction, improvements, or any lawful project purpose.

**NOTE 11: Joint Venture**

Camden-Ouachita County Library

The Camden Library Commission and Ouachita County Library Board entered into an agreement in January 1954 in accordance with Ark. Code Ann. § 13-2-401 to establish the Camden-Ouachita County Library. The agreement states that all funds, income, and properties of the city and county, which are levied for library purposes together with all funds received from any source by either city or county, shall be pooled and made available for joint operation of the city-county library system under the management and control of the joint city-county board. The City made contributions of \$107,686 to Ouachita County for the Camden-Ouachita County Library in 2024. Separate financial statements of the Camden-Ouachita County Library are not available.

**NOTE 12: Jointly Governed Organization**

Thirteenth Judicial District Drug Task Force

The Police Departments of Camden, El Dorado, Fordyce, Hampton, Magnolia, and Smackover and the Sheriff's Departments of Calhoun, Columbia, Dallas, Ouachita, and Union Counties entered into an agreement to establish the Thirteenth Judicial District Drug Task Force. The agreement covers the period July 1, 2024 to June 30, 2025, and may be extended upon written mutual agreement. Funds were provided through a Drug Law Enforcement Program grant applied for by the Prosecuting Attorney of the Thirteenth Judicial District. No contribution or payments for expenditures were made to or on behalf of the Thirteenth Judicial District Drug Task Force by the City. The 2024 financial statements of the Thirteenth Judicial District Drug Task Force have not been audited.

**NOTE 13: Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and participation in a public entity risk pool. The amount of settlements, if any, has not exceeded the insurance coverage for each of the past three years. There were no significant reductions in insurance coverage in the major categories of risk from coverage in the prior year.

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

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

The City participates in the Arkansas Municipal League Program (public entity risk pools) for coverage in the following areas:

Workers' Compensation - This program provides statutory benefits for losses incurred by municipal officials, employees, and volunteer fire fighters while performing work for the municipality. Rates for municipalities participating in this program are revised by class code on an annual basis by the Arkansas Workers' Compensation Commission.

**Municipal Vehicle Program**

- A. Liability - This program may pay all sums the municipality legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered municipal vehicle and for which the municipality is liable. The limit of payment by the program is as follows: \$25,000 because of bodily injury to or death of one person in any one accident; \$50,000 because of bodily injury to or death of two or more persons in any one accident; and \$25,000 because of injury to or destruction of property of others in any one accident. The City shall pay into the program each year a charge established annually by the program administrator for covered municipal vehicles and self-propelled mobile equipment owned or leased by the City.
- B. Physical Damage - This program covers motor vehicles and permanently attached equipment which are the property of the participating municipality. Property is valued at the full cost to repair or replace the property after deduction for depreciation. Loss amounts payable will be reduced by the deductible amount of \$1,000 per occurrence. The City agrees to pay into the program each year a service charge established annually by the program administrator for covered property.

Municipal Property Program - This program covers insurable property and equipment, exclusive of motor vehicles and water vessels, which belong to or are in the care, custody, or control of a participating municipality. Property is valued at the full cost to repair or replace the property after deduction of depreciation or as agreed to by the participating municipality and program. Loss amounts payable will be reduced by the deductible amount of \$5,000, or in the case of flood or earthquake, \$100,000. The municipality agrees to pay into the program each year a service charge established annually by the program administrator for property for which the municipality desires coverage.

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

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

**NOTE 14: Local Police and Fire Retirement System (LOPFI)  
(A Defined Benefit Pension Plan)**

**Plan Description**

The City contributes to the Local Police and Fire Retirement System (LOPFI), an agent multiple employer retirement system that acts as a common investment and administrative agent for cities and towns in Arkansas. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Local Police and Fire Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for LOPFI. That report may be obtained by writing to Arkansas Local Police and Fire Retirement System, 620 W. 3<sup>rd</sup>, Suite 200, Little Rock, Arkansas 72201, by calling 1-866-859-1745, or on their website [www.lopfi-prb.com](http://www.lopfi-prb.com).

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 14: Local Police and Fire Retirement System (LOPFI) (Continued)  
(A Defined Benefit Pension Plan)**

Plan Description (Continued)

On December 9, 2015, administration of the City of Camden's Firemen's and Policemen's Pension and Relief Funds were 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 \$632,042 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$364,724 for the year ended December 31, 2024.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the City's share of the collective net pension liability. The City's proportionate share of the collective net pension liability at December 31, 2024, (actuarial valuation date and measurement date) was \$4,496,640.

**NOTE 15: Arkansas Public Employees Retirement System**

Plan Description

The City contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan that covers municipal employees whose municipalities have elected coverage under this System. APERS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by writing to Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201, by calling 1-800-682-7377, or on their website [www.apers.org](http://www.apers.org).

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.75% as of July 1, 2024. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system, based on the annual actuarial valuation. The City's contribution to the plan for the year ended June 30, 2024, (date of APERS Employer Allocation Report) was \$3,083.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the City's share of the collective net pension liability. The City's proportionate share of the collective net pension liability at June 30, 2024, (actuarial valuation date and measurement date) was \$22,040.

CITY OF CAMDEN, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 16: Employee Retirement Program (A Deferred Compensation Plan)**

The City offers its regular full-time employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, administered by Voya Financial, permits employees to defer receiving a portion of their salary until they become eligible for benefits at retirement, termination, death or unforeseeable emergency. The City matches employee contributions, excluding civil service employees, up to five (5%) of their base pay. The City contributions to the plan were \$65,000 for the year ended December 31, 2024.

**NOTE 17: Mayor's Retirement Benefits**

Plan Description

Ark. Code Ann. § 24-12-123 establishes retirement benefits for mayors in cities of the first class and death benefits to their spouses at the option of the governing body of the City. Benefits and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. A retiree is entitled to receive an annual retirement benefit during the remainder of their natural life, payable at the rate of one-half (1/2) of the salary payable to the mayor at the completion of his or her last term as mayor. Retirement benefits are to be paid monthly from the City's General Fund. A mayor may retire: 1.) upon reaching the age of 60 with a minimum of ten years of service or 2.) upon serving 20 years, regardless of age. The City paid former Mayor Chris Claybaker \$31,922 for the year ended December 31, 2024.

**NOTE 18: Clerk/Treasurer Retirement Benefits**

Plan Description

Ark. Code Ann. § 24-12-121 establishes retirement benefits for clerk/treasurers in cities of the first class and death benefits to their spouses at the option of the governing body of the City. Benefits and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. A retiree is entitled to receive a monthly retirement benefit during the remainder of their natural life, a sum equal to one-half (1/2) of the monthly salary received during the last preceding year of service. Retirement benefits are to be paid from the City's General Fund. A clerk/treasurer may retire: 1.) upon reaching the age of 60 with a minimum of 10 years of service or 2.) upon serving 20 years, regardless of age. The City paid former Clerk/Treasurer Jerry Cross \$23,369 for the year ended December 31, 2024.

**NOTE 19: Treasurer's Retirement Benefits**

Plan Description

Ark. Code Ann. § 24-12-125 establishes retirement benefits for treasurers in cities of the first class at the option of the governing body of the City. Benefits and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. A retiree is entitled to receive an annual retirement benefit during the remainder of their natural life, payable at the rate of one-half (1/2) of the monthly salary received during the preceding year of service. Retirement benefits are to be paid from the City's General Fund. A treasurer who shall retire from office or be succeeded by another city treasurer with 15 years of service shall, upon reaching 60 years of age, receive retirement pay. The City paid former Treasurer Jim Green \$26,083 for the year ended December 31, 2024.

**NOTE 20: Interfund Transfers**

The General Fund transferred \$288,109 to the Street Fund for operations.

**NOTE 21: Federal Funds Program Compliance**

The 2024 federal grants of the City have not yet been audited in accordance with federal program requirements and therefore, any instances of noncompliance with federal grant requirements have not been determined. Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the City.

CITY OF CAMDEN, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

	SPECIAL REVENUE FUNDS					ENTERPRISE FUND
	Two Bayou Development	Economic Development	Solid Waste	Fire Equipment and Training (Act 833)	Advertising and Promotion	Airport
<b>ASSETS</b>						
Cash and cash equivalents	\$ 60,134	\$ 367,526	\$ 920,642	\$ 52,376	\$ 1,609,793	\$ 462,798
Accounts receivable			95,330			7,460
Interfund receivables			91,245			
<b>TOTAL ASSETS</b>	<u>\$ 60,134</u>	<u>\$ 367,526</u>	<u>\$ 1,107,217</u>	<u>\$ 52,376</u>	<u>\$ 1,609,793</u>	<u>\$ 470,258</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable						\$ 31,055
Settlements pending						
Total Liabilities						<u>31,055</u>
Fund Balances:						
Restricted	\$ 60,134	\$ 367,526		\$ 52,376	\$ 1,609,793	364,177
Committed						75,026
Assigned			\$ 1,107,217			
Total Fund Balances	<u>60,134</u>	<u>367,526</u>	<u>1,107,217</u>	<u>52,376</u>	<u>1,609,793</u>	<u>439,203</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 60,134</u>	<u>\$ 367,526</u>	<u>\$ 1,107,217</u>	<u>\$ 52,376</u>	<u>\$ 1,609,793</u>	<u>\$ 470,258</u>

CITY OF CAMDEN, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2024

Schedule 1

	CUSTODIAL FUNDS				
	Police Bond & Fine	District Court	Payroll	Administration of Justice	Totals
ASSETS					
Cash and cash equivalents	\$ 3,387	\$ 16,429	\$ 498,577	\$ 1,503	\$ 3,993,165
Accounts receivable					102,790
Interfund receivables					91,245
TOTAL ASSETS	\$ 3,387	\$ 16,429	\$ 498,577	\$ 1,503	\$ 4,187,200
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable					\$ 31,055
Settlements pending	\$ 3,387	\$ 16,429	\$ 498,577	\$ 1,503	519,896
Total Liabilities	3,387	16,429	498,577	1,503	550,951
Fund Balances:					
Restricted					2,454,006
Committed					75,026
Assigned					1,107,217
Total Fund Balances					3,636,249
TOTAL LIABILITIES AND FUND BALANCES	\$ 3,387	\$ 16,429	\$ 498,577	\$ 1,503	\$ 4,187,200

CITY OF CAMDEN, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2024

Schedule 2

	SPECIAL REVENUE FUNDS						ENTERPRISE FUND	Totals
	Two Bayou Development	Economic Development	Solid Waste	Fire Equipment and Training (Act 833)	Advertising and Promotion	Library	Airport	
REVENUES								
State aid				\$ 20,723			\$ 11,272	\$ 31,995
Federal aid							659,964	659,964
Property taxes						\$ 107,686		107,686
Sales taxes			\$ 1,108,433					1,108,433
Interest	\$ 266	\$ 3,607	4,076	170	\$ 43,169		1,621	52,909
Sanitation fees			581,591					581,591
Advertising and promotion taxes					337,097			337,097
Airport rentals							212,515	212,515
Gas sales							298,772	298,772
Other			2,465				4,154	6,619
<b>TOTAL REVENUES</b>	<b>266</b>	<b>3,607</b>	<b>1,696,565</b>	<b>20,893</b>	<b>380,266</b>	<b>107,686</b>	<b>1,188,298</b>	<b>3,397,581</b>
EXPENDITURES								
Current:								
General government		155,000			74,211			229,211
Public safety				13,137				13,137
Sanitation			1,506,535					1,506,535
Recreation and culture					308,908			308,908
Airport							1,170,962	1,170,962
Total Current		155,000	1,506,535	13,137	383,119		1,170,962	3,228,753
Debt Service:								
Financed purchase principal							31,020	31,020
<b>TOTAL EXPENDITURES</b>		<b>155,000</b>	<b>1,506,535</b>	<b>13,137</b>	<b>383,119</b>		<b>1,201,982</b>	<b>3,259,773</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>266</b>	<b>(151,393)</b>	<b>190,030</b>	<b>7,756</b>	<b>(2,853)</b>	<b>107,686</b>	<b>(13,684)</b>	<b>137,808</b>
OTHER FINANCING SOURCES (USES)								
Contributions to Camden-Ouachita County Library						(107,686)		(107,686)
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>266</b>	<b>(151,393)</b>	<b>190,030</b>	<b>7,756</b>	<b>(2,853)</b>		<b>(13,684)</b>	<b>30,122</b>
FUND BALANCES - JANUARY 1	59,868	518,919	917,187	44,620	1,612,646		452,887	3,606,127
FUND BALANCES - DECEMBER 31	<u>\$ 60,134</u>	<u>\$ 367,526</u>	<u>\$ 1,107,217</u>	<u>\$ 52,376</u>	<u>\$ 1,609,793</u>	<u>\$ 0</u>	<u>\$ 439,203</u>	<u>\$ 3,636,249</u>

CITY OF CAMDEN, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
Two Bayou Development	Act 579 of 1999 appropriated funds for the local share of the Two-Bayou Flood Control Project.
Economic Development	Ark. Code Ann. § 14-174-104 authorizes the levy of a local sales tax dedicated to the operation of local economic development programs.
Solid Waste	Camden Ordinance no. 11-99 (August 10, 1999) dedicated a percentage of the one percent county-wide sales tax to the Solid Waste Fund for the purpose of paying for residential garbage collection services. The City also deposits user fees from the Class IV landfill in this fund.
Fire Equipment and Training (Act 833)	Ark. Code Ann. §§ 14-284-403, 404 requires insurance premium tax funds to be distributed by the county to municipal fire departments for training, purchase and improvement of fire fighting equipment, initial capital construction or improvements of fire departments, insurance for buildings, and utilities costs.
Advertising and Promotion	Ark. Code Ann. § 26-75-606 established fund to account for the tax levied on gross receipts of hotels, restaurants, etc. The tax shall be used for the advertising and promoting of the city and its environs; construction, maintenance, and operation of a convention center, operation of tourist promotion facilities, and payment of principal and interest in connection with bonds issued.
Library	Established to remit money to the joint venture Camden-Ouachita County Library established in accordance with Ark. Code Ann. § 13-2-401.
Airport	Ark. Code Ann. §§ 14-359-101, -121 and Camden Ordinance no. 19-86 (November 4, 1986) established the Municipal Airport Commission to operate and manage the airport. All revenue derived from the operation of the airport or flying field, after paying the operating expenses and maintenance, shall be set aside and used for additional improvements on the airport or for the retirement of bonds and interest thereon issued or advancement made for the purchase and improvement of the airport or flying field.
Police Bond and Fine	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the police department.
District Court	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.

CITY OF CAMDEN, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2024

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

<u>Fund Name</u>	<u>Fund Description</u>
Payroll	Established to deposit gross payroll amounts and disburse to the proper employees and agencies.
Administration of Justice	Ark. Code Ann. § 16-10-308 established fund to receive the city's share of uniform court costs and filing fees levied by state law to be used to defray a part of the expenses of the administration of justice in the city.

CITY OF CAMDEN, ARKANSAS  
 OTHER INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 DECEMBER 31, 2024  
 (Unaudited)

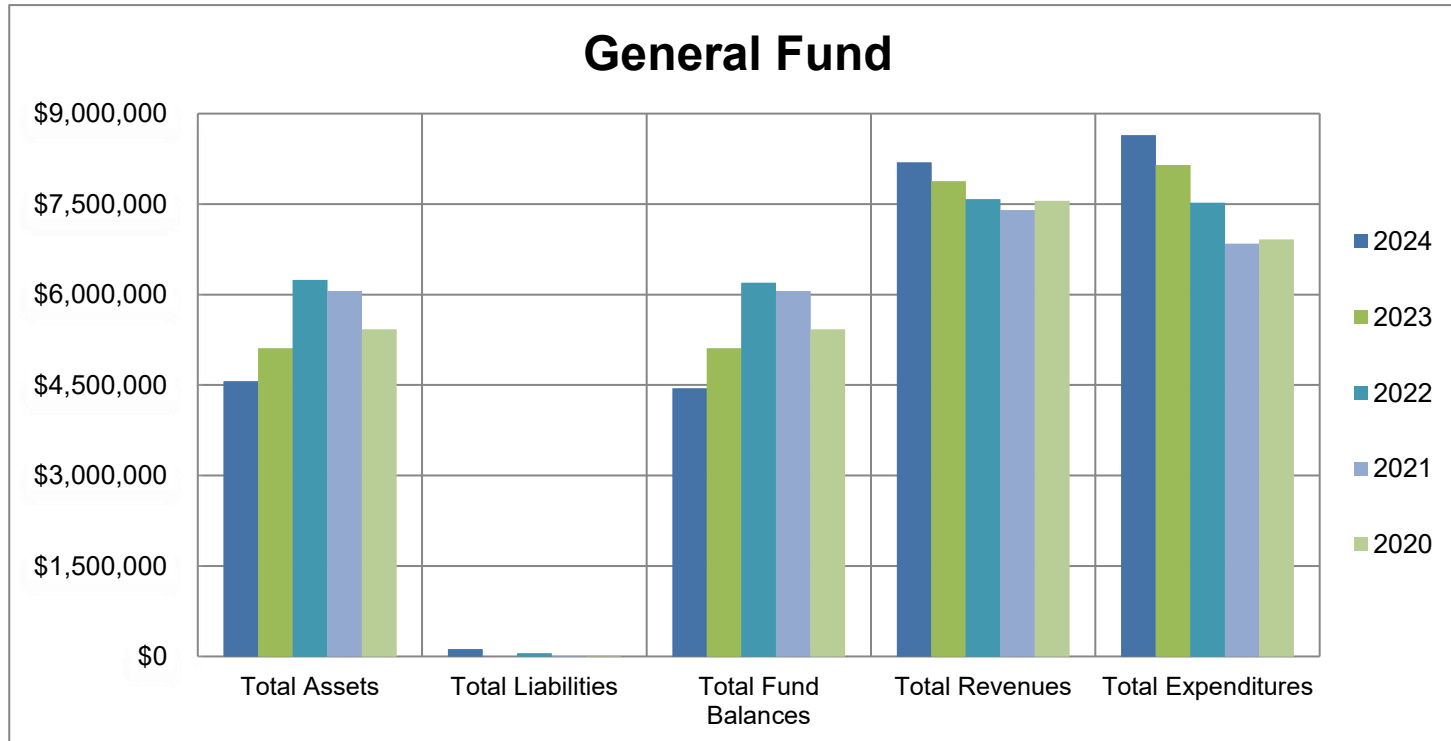
Schedule 3

	December 31, 2024
Land	\$ 1,106,453
Buildings	5,616,913
Improvements	4,122,030
Equipment	9,992,535
Total	\$ 20,837,931
Enterprise Fund Fixed Assets (Airport)	
Land	\$ 7,373,643
Buildings	1,743,415
Improvements	2,810,707
Equipment	357,448
Total	\$ 12,285,213

CITY OF CAMDEN, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
 DECEMBER 31, 2024  
 (Unaudited)

Schedule 4-1

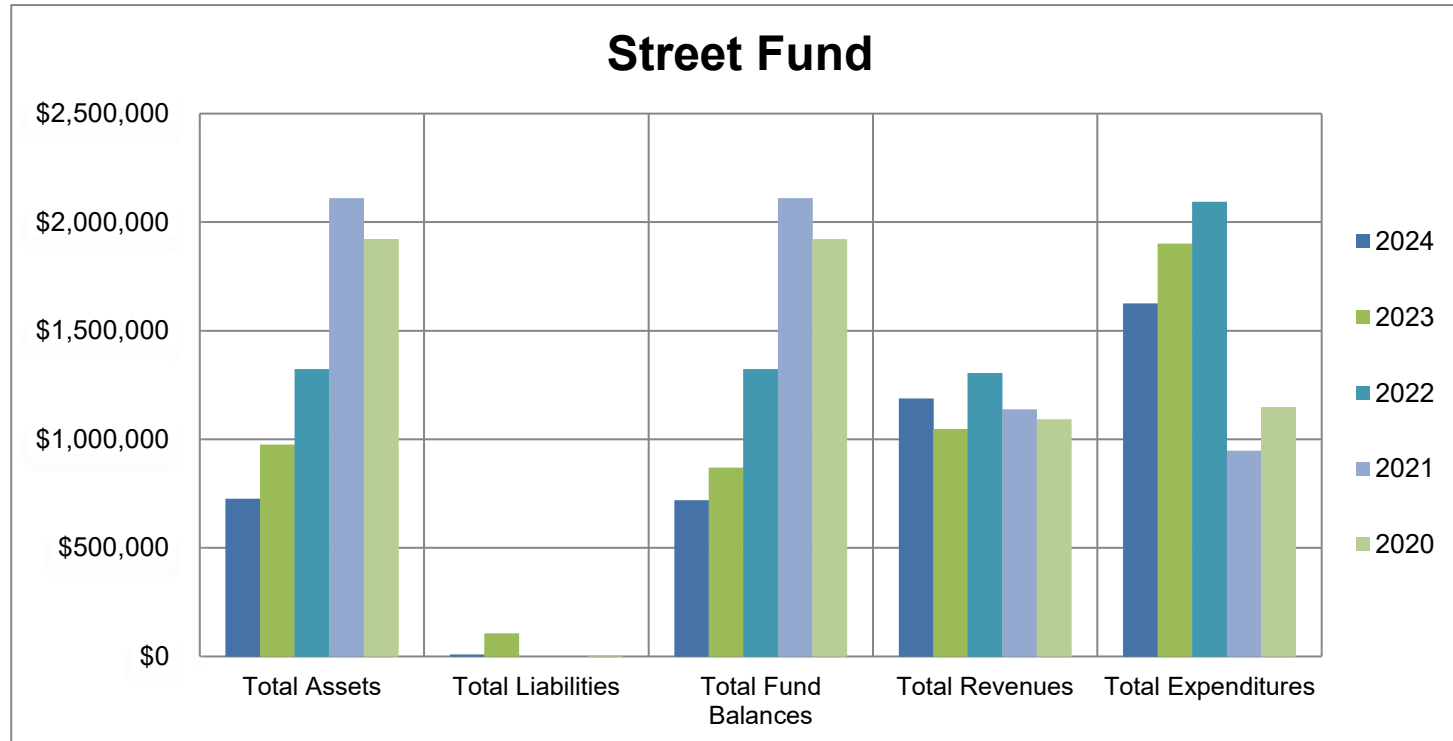
<b>General</b>	2024	2023	2022	2021	2020
Total Assets	\$ 4,560,999	\$ 5,105,614	\$ 6,242,546	\$ 6,058,075	\$ 5,419,670
Total Liabilities	118,174		48,525	4,079	2,522
Total Fund Balances	4,442,825	5,105,614	6,194,021	6,053,996	5,417,148
Total Revenues	8,186,547	7,878,396	7,581,400	7,400,663	7,550,484
Total Expenditures	8,638,699	8,144,275	7,518,847	6,841,287	6,912,680
Total Other Financing Sources/Uses	(210,637)	(822,528)	77,472	77,472	77,472



CITY OF CAMDEN, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - STREET FUND - REGULATORY BASIS  
 DECEMBER 31, 2024  
 (Unaudited)

Schedule 4-2

<u>Street</u>	2024	2023	2022	2021	2020
Total Assets	\$ 726,279	\$ 975,026	\$ 1,322,802	\$ 2,110,383	\$ 1,922,866
Total Liabilities	7,963	105,857			2,243
Total Fund Balances	718,316	869,169	1,322,802	2,110,383	1,920,623
Total Revenues	1,186,574	1,046,501	1,305,249	1,136,638	1,091,525
Total Expenditures	1,625,536	1,900,134	2,092,830	946,878	1,147,600
Total Other Financing Sources/Uses	288,109	400,000			



CITY OF CAMDEN, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
 DECEMBER 31, 2024  
 (Unaudited)

Schedule 4-3

<u>Other Funds in the Aggregate</u>	2024	2023	2022	2021	2020
Total Assets	\$ 4,187,200	\$ 3,745,699	\$ 4,763,885	\$ 3,496,583	\$ 3,559,197
Total Liabilities	550,951	139,572	1,228,139	213,402	158,486
Total Fund Balances	3,636,249	3,606,127	3,535,746	3,283,181	3,400,711
Total Revenues	3,397,581	2,702,169	3,544,663	3,295,037	2,423,416
Total Expenditures	3,259,773	3,029,479	3,195,748	3,317,289	2,088,508
Total Other Financing Sources/Uses	(107,686)	397,691	(96,350)	(95,278)	(92,363)

