

**City of Pine Bluff, 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 Pine Bluff, 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 Pine Bluff, 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 Pine Bluff, 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 Pine Bluff, 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 other funds under accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. However, under the regulatory basis, these funds are not required to be included as part of the reporting entity. Our opinions are not modified with respect to this matter,

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

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

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

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

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

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

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

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

### ***Supplementary Information***

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

**Other Information**

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 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 10, 2025  
LOM107624

# 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 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 regulatory basis financial statements of the general fund, street fund, and other funds in the aggregate of City of Pine Bluff, 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 10, 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

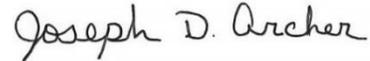
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 10, 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 10, 2025

# Arkansas



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

**Rep. Robin Lundstrum**  
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House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### MANAGEMENT LETTER

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

The findings contained in this letter relate to the following officials who held office during 2024:

Mayor: Shirley Washington  
City Clerk: Janice Robers  
Treasurer: Greg Gustek  
Parks and Recreation Director: Trudy Redus  
Finance Director: Gina Devers  
District Court Clerk: Veronica Young  
Police Chief: Denise Richardson  
Urban Renewal Director: Chandra Griffin

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

#### **Mayor and Parks and Recreation Director**

City officials brought to our attention that they identified discrepancies in a deposit from the City Parks and Recreation (Parks) Department. Subsequently, our review of transactions from Parks for the period January 1, 2023 through May 21, 2025, identified the following:

- \$179,629 in manual receipts that could not be traced to the City Collector's receipts and deposits. In addition, we noted missing receipts from the Parks Department's main office, Jaycee Golf Course, and RV Parks, and no receipts were issued for revenues received from Harbor Oaks Golf Course. Therefore, the actual amount of unaccounted for funds could be higher.
- \$48,415 in unallowable purchases that consisted of holiday décor, kitchen items, personal hygiene items, fashion accessories, gift cards, various electronic devices, etc.
- \$13,174 in questionable purchases that consisted of snacks and office-related décor.

A comparison of original invoices obtained from vendors to invoices submitted to the Clerk's office revealed numerous invoices were altered to conceal the type of items purchased and the shipping address of the unallowable and questionable items, which were shipped to addresses not related to the City. We were unable to obtain the original invoices from two vendors; therefore, we were unable to confirm if all items purchased from these vendors were for legitimate City business.

In addition, five vendors that were utilized to purchase questionable and unallowable items were not approved by the City Council.

Furthermore, three lawn mowers were not available for audit inspection; therefore, we were unable to determine if the equipment is currently in the possession of the City.

The Parks Office Manager and Assistant Director, who were employed when these transactions occurred, were terminated on May 23, 2025.

These matters are currently under investigation by Arkansas State Police.

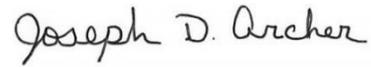
#### **Finance Director**

Accounting procedures for municipalities that are set forth in Ark. Code Ann. §§ 14-59-101 - 14-59-119. The City was in noncompliance with these codes and other proper accounting procedures as noted below:

- Cash receipts journals were not properly maintained and were not reconciled to total deposits per bank for all accounts.
- Monthly bank reconciliations were not performed timely or prepared properly.
- Receipts were not issued for all funds received nor deposited in a timely manner.

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 cursive script that reads "Joseph D. Archer".

Joseph D. Archer, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
December 10, 2025

CITY OF PINE BLUFF, 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	\$ 27,779,070	\$ 1,308,131	\$ 14,576,601
Investments			30,124,279
Accounts receivable	2,310,033	40,400	1,622,779
Interfund receivables	<u>1,425,161</u>		
<b>TOTAL ASSETS</b>	<u><u>\$ 31,514,264</u></u>	<u><u>\$ 1,348,531</u></u>	<u><u>\$ 46,323,659</u></u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 1,871,192	\$ 133,529	\$ 410,464
Interfund payables		19,374	1,405,787
Settlements pending			<u>1,289,036</u>
<b>Total Liabilities</b>	<u><u>1,871,192</u></u>	<u><u>152,903</u></u>	<u><u>3,105,287</u></u>
Fund Balances:			
Nonspendable			545,730
Restricted	651,759	595,628	42,175,376
Committed			2,848
Assigned	3,037,799	600,000	680,464
Unassigned	<u>25,953,514</u>		<u>(186,046)</u>
<b>Total Fund Balances</b>	<u><u>29,643,072</u></u>	<u><u>1,195,628</u></u>	<u><u>43,218,372</u></u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u><u>\$ 31,514,264</u></u>	<u><u>\$ 1,348,531</u></u>	<u><u>\$ 46,323,659</u></u>

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

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

Exhibit B

	General	Street	Other Funds in the Aggregate
<b>REVENUES</b>			
State aid	\$ 2,518,454	\$ 3,394,319	\$ 147,678
Federal aid	203,663		2,059,932
Property taxes	3,895,739	677,068	1,334,709
Franchise fees	125,175		3,206,516
Sales taxes	20,863,651		5,523,211
Fines, forfeitures, and costs	543,933		71,608
Interest	680,305	25,267	1,270,074
Local permits and fees	1,775,773		92,625
Sanitation fees	2,566,200		
Jail fees			58,529
Casino gaming tax	5,294,030		
Parks and recreation fees	478,284		
Transit fees			42,750
Donations	22,607		372,465
Employer contributions			827,536
Employee contributions			308,936
Home program revenue			65,734
Net increase/(decrease) in fair value of investments			2,087,265
Other	115,083	91,322	209,920
<b>TOTAL REVENUES</b>	<b>39,082,897</b>	<b>4,187,976</b>	<b>17,679,488</b>
<b>EXPENDITURES</b>			
Current:			
General government	13,408,541		3,133,161
Law enforcement	11,638,398		209,797
Highways and streets	150,012	4,247,148	78,605
Public safety	10,862,192		148,194
Sanitation	2,869,387		
Health	55,000		
Recreation and culture	5,095,600		1,774,496
Social services	294,814		5,361
Advertising and promotion	165,319		
Economic development	5,335,199		
Public transit			1,756,410
Wastewater			3,910,987
<b>Total Current</b>	<b>49,874,462</b>	<b>4,247,148</b>	<b>11,017,011</b>
Debt Service:			
Bond principal			2,351,863
Bond interest and other charges			844,550
Financed purchase principal	297,040		
Financed purchase interest	10,311		
<b>TOTAL EXPENDITURES</b>	<b>50,181,813</b>	<b>4,247,148</b>	<b>14,213,424</b>

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

Exhibit B

	General	Street	Other Funds in the Aggregate
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (11,098,916)	\$ (59,172)	\$ 3,466,064
OTHER FINANCING SOURCES (USES)			
Transfers in	7,059,695	250,000	2,237,371
Transfers out	(2,158,120)	(300,000)	(7,088,946)
Go Forward Pine Bluff, Inc.	940,000		
Arkansas Fidelity bond proceeds	300,000		
Contribution from Civic Auditorium Complex Commission	83,113		
TOTAL OTHER FINANCING SOURCES (USES)	6,224,688	(50,000)	(4,851,575)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(4,874,228)	(109,172)	(1,385,511)
FUND BALANCES - JANUARY 1	34,517,300	1,304,800	44,603,883
FUND BALANCES - DECEMBER 31	\$ 29,643,072	\$ 1,195,628	\$ 43,218,372

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

CITY OF PINE BLUFF, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2024

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 2,104,908	\$ 2,518,454	\$ 413,546	\$ 3,365,000	\$ 3,394,319	\$ 29,319
Federal aid	3,000	203,663	200,663			
Property taxes	2,700,000	3,895,739	1,195,739	575,000	677,068	102,068
Franchise fees	3,003,250	125,175	(2,878,075)			
Sales taxes	24,626,500	20,863,651	(3,762,849)			
Fines, forfeitures, and costs	515,000	543,933	28,933			
Interest	319,000	680,305	361,305	20,000	25,267	5,267
Local permits and fees	1,537,500	1,775,773	238,273			
Sanitation fees	3,404,808	2,566,200	(838,608)			
Casino gaming tax	4,095,000	5,294,030	1,199,030			
Parks and recreation fees	485,000	478,284	(6,716)			
Donations		22,607	22,607			
Other	1,315,736	115,083	(1,200,653)	103,000	91,322	(11,678)
<b>TOTAL REVENUES</b>	<b>44,109,702</b>	<b>39,082,897</b>	<b>(5,026,805)</b>	<b>4,063,000</b>	<b>4,187,976</b>	<b>124,976</b>
EXPENDITURES						
Current:						
General government	17,035,035	13,408,541	3,626,494			
Law enforcement	14,033,287	11,638,398	2,394,889			
Highways and streets	103,505	150,012	(46,507)	4,784,497	4,247,148	537,349
Public safety	10,821,972	10,862,192	(40,220)			
Sanitation	3,303,478	2,869,387	434,091			
Health	55,000	55,000	0			
Recreation and culture	4,933,434	5,095,600	(162,166)			
Social services	357,192	294,814	62,378			
Advertising and promotion		165,319	(165,319)			
Economic development	17,808,369	5,335,199	12,473,170			
Airport	190,319	190,319	0			
Total Current	68,641,591	49,874,462	18,767,129	4,784,497	4,247,148	537,349
Debt Service:						
Financed purchase principal		297,040	(297,040)			
Financed purchase interest		10,311	(10,311)			
<b>TOTAL EXPENDITURES</b>	<b>68,641,591</b>	<b>50,181,813</b>	<b>18,459,778</b>	<b>4,784,497</b>	<b>4,247,148</b>	<b>537,349</b>

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, 2024

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (24,531,889)	\$ (11,098,916)	\$ 13,432,973	\$ (721,497)	\$ (59,172)	\$ 662,325
OTHER FINANCING SOURCES (USES)						
Transfers in	8,193,604	7,059,695	(1,133,909)	250,000	250,000	0
Transfers out	(7,320,075)	(2,158,120)	5,161,955		(300,000)	(300,000)
Go Forward Pine Bluff, Inc.		940,000	940,000			
Arkansas Fidelity bond proceeds		300,000	300,000			
Contribution from Civic Auditorium Complex Commission		83,113	83,113			
TOTAL OTHER FINANCING SOURCES (USES)	873,529	6,224,688	5,351,159	250,000	(50,000)	(300,000)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(23,658,360)	(4,874,228)	18,784,132	(471,497)	(109,172)	362,325
FUND BALANCES - JANUARY 1	15,673,163	34,517,300	18,844,137	(1,257,405)	1,304,800	2,562,205
FUND BALANCES - DECEMBER 31	\$ (7,985,197)	\$ 29,643,072	\$ 37,628,269	\$ (1,728,902)	\$ 1,195,628	\$ 2,924,530

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

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**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: Wastewater 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.

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. The General Fund heading, as it appears in the financial statements, includes the following accounts: General, Sewer Improvement District Loan, Public Safety Building Fund, 2017 Sales Tax, Urban Renewal, Police Special Projects, and Community Enhancement.

**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.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

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

**B. Basis of Presentation – Regulatory (Continued)**

**Other Funds in the Aggregate (Continued)**

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

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 the Pension Trust Fund as reported with other funds in the aggregate.

Custodial Funds - Custodial Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). See Schedule 1 for Custodial 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. 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, 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.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

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

**D. Assets, Liabilities, and Fund Balances (Continued)**

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.

**E. Property Taxes**

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

**F. Budget Law**

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

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

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

Basis of Accounting

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

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

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

**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)	\$ 6,170,858	\$ 6,229,810
Collateralized:		
Collateral held by the pledging financial institution's trust department or agent in the City's name	32,965,455	33,165,510
Uninsured and uncollateralized	4,514,939	4,514,939
Total Deposits	\$ 43,651,252	\$ 43,910,259

The above total deposits do not include cash on hand of \$12,550.

Custodial risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. As of December 31, 2024, \$4,514,939 of the City’s bank balances were exposed to custodial risk. The balances exposed to custodial risk were deposited in money market accounts consisting of federated treasury obligations, which are not insured or collateralized.

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

State law generally requires that municipal funds be deposited in federally insured banks located in the State of Arkansas. The municipal deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of not longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.

**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.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 4: Public Fund Investments**

A summary of investments by fund types is as follows:

Fund Type	<u>December 31, 2024</u> Fair Value
Pension Trust	\$ 30,039,991
Permanent	<u>84,288</u>
Total	<u>\$ 30,124,279</u>

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.)

The City’s investments are composed of the following:

<u>December 31, 2024</u> Investment Type	Quoted Prices in Active Markets for Identical Level I	Other Observable Level II	Total
Mortgage-backed Bonds		\$ 2,617,116	\$ 2,617,116
Corporate Bonds		6,885,106	6,885,106
Stocks	\$ 4,110,398		4,110,398
Municipal Obligations		1,290,943	1,290,943
Mutual Funds	<u>15,220,716</u>		<u>15,220,716</u>
Totals	<u>\$ 19,331,114</u>	<u>\$ 10,793,165</u>	<u>\$ 30,124,279</u>

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 and as a result, these were classified as Level I inputs. Mortgage-backed bonds, corporate bonds, and municipal obligations are valued at fair value using quoted market prices from third parties that use, as their basis readily observable market inputs, such as yields of similar instruments with comparable inputs. As a result, these were classified as Level II inputs.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 5: 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
State aid	\$ 12,596		\$ 24,030
Federal aid	50,385		671,762
Property taxes	219,415	\$ 38,666	76,336
Franchise fees			248,449
Sales taxes	1,255,464		453,018
Interest			145,756
Sanitation fees	190,859		
Casino gaming tax	484,101		
Donations			575
Other	97,213	1,734	2,853
<b>Totals</b>	<b>\$ 2,310,033</b>	<b>\$ 40,400</b>	<b>\$ 1,622,779</b>

**NOTE 6: 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	\$ 1,842,505	\$ 125,675	\$ 404,616
Retirement payable	28,687	7,854	3,338
Payroll taxes payable			1,635
Other			875
<b>Totals</b>	<b>\$ 1,871,192</b>	<b>\$ 133,529</b>	<b>\$ 410,464</b>

CITY OF PINE BLUFF, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2024

**NOTE 7: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

	December 31, 2024	
	Interfund Receivables	Interfund Payables
General Fund	\$ 1,425,161	
Street Fund		\$ 19,374
Other Funds in the Aggregate:		
Special Revenue Funds:		
Community Development		571,533
Jail Fee		79,978
Administration of Justice (AOJ)		507
Grants		433,717
Transit		319,829
Arts & Science Center for Southeast Arkansas		223
	\$ 1,425,161	\$ 1,425,161
Totals	\$ 1,425,161	\$ 1,425,161

Interfund receivables and payables consist of matching grants and reimbursements for expenditures paid by the General Fund. These balances are expected to be repaid when funds become available.

**NOTE 8: Federal Funds Program Compliance**

The federal grants of the City for the years ended December 31, 2024, and 2023, 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 for the year ended December 31, 2023. Disbursements that are not in accordance with the federal program requirements are subject to reimbursement by the City.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 9: 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:			
Nonspendable:			
Social services			\$ 545,730
Restricted for:			
General government	\$ 651,759		1,073,538
Law enforcement			428,852
Highways and streets		\$ 595,628	
Public transit			829,177
Pension benefits			37,041,983
Capital outlay			125,121
Debt service			2,676,705
Total Restricted	<u>651,759</u>	<u>595,628</u>	<u>42,175,376</u>
Committed for:			
Capital outlay			<u>2,848</u>
Assigned to:			
General government	1,063,487		
Law enforcement	26,886		
Highways and streets		600,000	
Recreation and culture			336,534
Economic development	1,947,426		
Capital outlay			343,930
Total Assigned	<u>3,037,799</u>	<u>600,000</u>	<u>680,464</u>
Unassigned	<u>25,953,514</u>		<u>(186,046)</u>
Totals	<u>\$ 29,643,072</u>	<u>\$ 1,195,628</u>	<u>\$ 43,218,372</u>

**NOTE 10: Deficit Fund Balances**

The following funds have deficit fund balances as of December 31, 2024:

	December 31, 2024
Other Funds in the Aggregate:	
Special Revenue Funds:	
Jail Fee	\$ (5,817)
Grants	<u>(180,229)</u>
Total	<u>\$ (186,046)</u>

CITY OF PINE BLUFF, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2024

**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, 2024, the legal debt limit for the bonded debt was \$88,469,223. There were no property tax secured bond issues. As discussed in Note 14, the City approved an additional 3 mils property tax to secure payment for certain library bonds; however, these are payable solely from the special millage and are not subject to 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, 2024, the legal debt limit for short-term financing obligations was \$24,431,200. The amount of short-term financing obligations was \$5,170,410, leaving a legal debt margin of \$19,260,790.

**NOTE 12: Commitments**

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

	December 31, 2024
Long-term liabilities	\$ 34,707,668
Leases	3,169,415
Construction contracts	6,782,222
 Total Commitments	 \$ 44,659,305

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

Long-term liabilities

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

	December 31, 2024
<u>Bonds</u>	
Sales and Use Tax Improvement Bonds, Series 2016, issued October 1, 2016, for \$6,805,000; 20 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.	\$ 5,510,000
Library Property Tax Construction Bonds, Series 2017, issued May 9, 2017, for \$13,355,000; 30 annual installments beginning February 1, 2018, with the final settlement due February 1, 2046, interest at 2.0 - 3.625%. Payments are to be made from the Debt Service Fund.	7,645,000
Sales and Use Tax Refunding Bonds, Series 2017, issued July 27, 2017, for \$6,450,000; 20 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.	3,310,000
Sales and Use Tax Refunding Bonds, Series 2017B, issued November 28, 2017, for \$4,480,000; 19 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.	3,095,000
Franchise Fee Revenue Refunding and Improvement Bonds, Series 2019, issued September 10, 2019, for \$3,828,800; 11 annual installments beginning May 1, 2020, with the final settlement due May 1, 2030, interest at 2.79%. Payments are to be made from the Debt Service Fund.	2,294,121
Franchise Fee Revenue Refunding and Improvement Bonds, Series 2021, issued December 28, 2021, for \$3,585,000; 25 annual installments beginning May 1, 2022, with the final settlement due May 1, 2046, interest at 2.0 - 2.625%. Payments are to be made from the Debt Service Fund.	3,300,000
Total Bonds	25,154,121
<u>Direct Borrowings</u>	
Financed purchase with Farmers State Bank of Alto Pass to finance the acquisition of certain furniture, fixtures, and equipment to be utilized in connection with the hotel project; issued on December 20, 2024, for \$3,000,000; due in five (5) annual payments of \$550,000, \$570,000, \$600,000, \$625,000, and \$655,000, respectively, at 4.50% interest with the first payment due on December 20, 2025. Payments are to be made from the General Fund.	3,000,000
Financed purchase with US Bancorp to finance the acquisition of a fire truck and associated apparatus; issued on March 15, 2024, for \$1,728,147; due in five (5) annual installments of \$314,732, \$329,474, \$344,906, \$361,062, and \$377,974, respectively, at 4.684% interest with the first payment due on March 16, 2025. Payments are to be made from the General Fund.	1,728,147
Financed purchase with Caterpillar Financial Services to finance the acquisition of a backhoe loader to be utilized by the street department; issued on August 11, 2024, for \$141,553; monthly installments of \$2,247 for 60 months and one balloon payment of \$39,680, at 6.988% interest with the first payment due November 10, 2024, and final payment due October 10, 2029. Payments are to be made from the General Fund.	138,474
Financed purchase with Caterpillar Financial Services to finance the acquisition of a wheeled excavator to be utilized by the street department; issued on December 10, 2024, for \$303,789; monthly installments of \$4,748 for 60 months and one balloon payment of \$72,560, at 5.49% interest with the first payment due March 13, 2025, and final payment due February 13, 2030. Payments are to be made from the General Fund.	303,789
Total Direct Borrowings	5,170,410
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	4,383,137
Total Long-term liabilities	\$ 34,707,668

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

CITY OF PINE BLUFF, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

Long-term liabilities (Continued)

The City's outstanding franchise fee revenue bonds series 2019 and 2021 payable of \$2,294,121 and \$3,300,000, respectively, contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the City and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The City's outstanding sales and use tax revenue bond series 2016, 2017, and 2017B payable of \$5,510,000, \$3,310,000, and \$3,095,000, respectively, contain a provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 10% in principal amount of the bonds then outstanding shall, by proper suit compel the performance of the duties of the officials of the City and officials of the State to take any action or obtain any proper relief in law or equity available under the Constitution and laws of the State.

The City's outstanding library property tax bonds payable of \$7,645,000 contain provision that in an event of default, the Trustee may, and upon written request of the owners of not less than 25% in principal amount of the bonds then outstanding, shall declare with notice in writing to the City and the Board the principal of all bonds then outstanding, and the interest accrued thereon, to be due and payable immediately. Upon such declaration, such principal and interest shall be immediately due and payable.

The City's outstanding direct borrowings of \$3,000,000 with Farmer's State Bank of Alto Pass contain a provision that in an event of default, outstanding amounts, at the Trustee's sole option, may be declared immediately due and payable, and the Trustee may exercise any rights and remedies.

The City's outstanding direct borrowings of \$1,728,147 with US Bancorp contain a provision that in an event of default, outstanding amounts, at the Lendor's sole option, may be declared immediately due and payable, and the Lendor may exercise any rights and remedies.

The City's outstanding direct borrowings of \$442,263 with Caterpillar Financial Services Corporation contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due or to become due during the City's then current fiscal year and payable, and the Lender may exercise any rights and remedies, including the right to immediate possession of the collateral, available to it under applicable law.

Change in Compensated Absences

	December 31, 2024
Beginning balance compensated absences	\$ 4,503,397
Ending balance compensated absences	4,383,137
Net increase (decrease)	\$ (120,260)

Post Employment Benefits Other Than Pensions

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

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

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>					
10/1/16	10/1/36	2-3.5%	\$ 6,805,000	\$ 5,510,000	\$ 1,295,000
5/9/17	2/1/46	2-3.625%	13,355,000	7,645,000	5,710,000
7/27/17	10/1/36	2-3.8%	6,450,000	3,310,000	3,140,000
11/28/17	10/1/36	2-3.75%	4,480,000	3,095,000	1,385,000
9/10/19	5/1/30	2.79%	3,828,800	2,294,121	1,534,679
12/28/21	5/1/46	2-2.625%	3,585,000	3,300,000	285,000
Total Bonds			<u>38,503,800</u>	<u>25,154,121</u>	<u>13,349,679</u>
<u>Direct Borrowings</u>					
12/20/24	12/20/29	4.50%	3,000,000	3,000,000	
3/15/24	3/15/29	4.684%	1,728,147	1,728,147	
8/11/24	10/10/29	6.988%	141,553	138,474	3,079
12/10/24	2/13/30	5.49%	303,789	303,789	
Total Direct Borrowings			<u>5,173,489</u>	<u>5,170,410</u>	<u>3,079</u>
Total Long-Term Debt			<u>\$ 43,677,289</u>	<u>\$ 30,324,531</u>	<u>\$ 13,352,758</u>

Changes in Long-Term Debt

	Balance January 01, 2024	Issued	Retired	Balance December 31, 2024
Bonds payable	\$ 27,505,984	\$ 0	\$ 2,351,863	\$ 25,154,121
<u>Direct Borrowings</u>				
Financed purchases	293,961	5,173,489	297,040 *	5,170,410
Total Long-Term Debt	<u>\$ 27,799,945</u>	<u>\$ 5,173,489</u>	<u>\$ 2,648,903</u>	<u>\$ 30,324,531</u>

\* Includes early retirement of debt totaling \$193,736

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

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	Interest	Total
2025	\$ 1,576,540	\$ 864,501	\$ 2,441,041	\$ 917,286	\$ 237,843	\$1,155,129
2026	1,626,488	821,331	2,447,819	961,761	198,113	1,159,874
2027	1,526,713	776,434	2,303,147	1,011,004	153,220	1,164,224
2028	1,572,223	732,067	2,304,290	1,056,205	106,019	1,162,224
2029	1,623,026	682,597	2,305,623	1,142,977	56,299	1,199,276
2030 through 2034	7,164,131	2,701,966	9,866,097	81,177	878	82,055
2035 through 2039	5,685,000	1,565,318	7,250,318			
2040 through 2044	3,405,000	711,669	4,116,669			
2045 through 2046	975,000	72,259	1,047,259			
<b>Totals</b>	<b>\$ 25,154,121</b>	<b>\$ 8,928,142</b>	<b>\$ 34,082,263</b>	<b>\$ 5,170,410</b>	<b>\$ 752,372</b>	<b>\$ 5,922,782</b>

Leases

The City entered into a lease agreement for vehicles on May 23, 2022. Terms of the lease begin for each vehicle on the date the vehicle is delivered ranging from 36 to 60 months for various amounts.

The City entered into a lease agreement for 60 golf cars on June 17, 2024. Terms of the lease are monthly payments of \$8,018 for 60 months and one final payment of \$249,304. At the end of the lease term, the City has the option to extend the lease beyond the full lease or the option to purchase the equipment at a price of \$1.

The City entered into a lease agreement for two greens mowers, two compact tractors, mower, rake, topdresser, and aeration on March 27, 2024. Terms of the lease are monthly payments of \$5,792 for 60 months. At the end of the lease term, the City has the option to purchase at fair market value.

The City entered into a lease agreement for two street sweepers on July 29, 2024. Terms of the lease are five annual payments in the amount of \$128,944. The City has the option to pay a purchase option price for the equipment, in addition to any rental payments due thereunder.

The City is obligated for the following amounts for the next five years:

Year	December 31, 2024
2025	\$ 884,491
2026	838,985
2027	647,672
2028	325,620
2029	472,647
<b>Total</b>	<b>\$ 3,169,415</b>

Lease expense for 2024, was \$670,139.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 12: Commitments (Continued)**

Construction Contracts

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

Project Name	Completed or Estimated Completion Date	Contract Balance December 31, 2024
Arkansas River Sewer Project	September 2025	\$ 65,880
University Drive Sewer	August 2025	381,295
Main Street/Downtown Streetscape Project	November 2025	1,405,898
6th Avenue Plaza	December 2026	573,531
Go-Kart & Mini-Golf	November 2025	2,274,720
MLK Park	November 2025	116,075
P.B. PED/Bike Indra Improvement Project	August 2025	319,529
34th Street Bridge over Interceptor Project	March 2025	46,748
Barraque St. Pavilion	August 2025	204,268
DRB Wellness Park	August 2025	1,394,278
		<hr/>
Total Construction Contracts		<u>\$ 6,782,222</u>

**NOTE 13: Interfund Transfers**

The General Fund transferred \$250,000 to the Street Fund to supplement city projects. The General Fund also transferred \$1,908,120 to the Other Funds in the Aggregate for the following: \$348,843 to the Capital Projects Fund to supplement city projects; \$149,861 to supplement the Arts & Science Center for Southeast Arkansas Fund; and \$1,409,416 to the Community Development Fund to supplement the Delta Rhythm and Bayous Cultural District Development effort. The Street Fund transferred \$300,000 to the Other Funds in the Aggregate, Transit Fund, for matching federal transportation funds. The Other Funds in the Aggregate transferred \$7,059,695 to the General Fund for the following: \$4,402,722 from the Sale and Use Tax Bonds Debt Service Fund for sales tax collected in excess of debt service requirements; and \$2,656,973 from the Franchise Fee Bonds Debt Service Fund for franchise fees collected in excess of debt service requirements. Within Other Funds in the Aggregate, the Library Property Tax Bonds 2017 Debt Service Fund transferred \$29,251 to the Library Construction Series 2017 Capital Projects Fund, in accordance with bond terms, for construction period interest.

**NOTE 14: Pledged Revenues**

A. Franchise Fees

The City pledged future franchise fees to repay \$3,828,800 of capital improvement and refunding bonds issued in 2019 and \$3,585,000 of capital improvement and refunding bonds issued in 2021. The total principal and interest remaining on the bonds are \$2,294,121 and \$197,153, respectively, payable through May 1, 2030, for the 2019 series; and \$3,300,000 and \$870,250, respectively, payable through May 1, 2046, for the 2021 series. For the year ended December 31, 2024, principal and interest paid for each of the 2019 and 2021 series were \$346,863 and \$68,845; and \$130,000 and \$76,613, respectively.

The Debt Service Fund received \$3,206,516 in franchise fees in 2024. 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 \$6,805,000 in bonds that were issued in 2016 to provide funding 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 \$5,510,000 and \$2,386,131, respectively, for the 2016 issue, and \$6,405,000 and \$1,489,861, respectively, for the 2017 issues, payable through October 1, 2036, for both the 2016 issue and 2017 issues. For 2024, principal and interest paid were \$175,000 and \$183,145, respectively, for the 2016 issue, and \$555,000 and \$231,045, respectively, for the 2017 issues.

The Debt Service Fund received \$5,523,211 in sales taxes in 2024. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used for other city expenditures.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 14: Pledged Revenues (Continued)**

C. Property Tax

The City pledged future proceeds of a three-mil property tax 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 \$7,645,000 and \$3,984,747, respectively, payable through February 1, 2046. For 2024, principal and interest paid were \$1,145,000 and \$266,853, respectively.

The Debt Service Fund received \$1,334,709 in property taxes in 2024. The proceeds of the tax levy cannot be used for any purpose other than payment of debt service on the bonds.

**NOTE 15: Joint Ventures**

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, Wabaseka, Humphrey, 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	0.63%
City of Altheimer	0.57%
City of Wabaseeka	0.19%
City of Humphrey	0.21%
City of Sherrill	0.04%
Jefferson County	25.35%
Total	100.00%

The City paid MECA \$677,460 in 2024. 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 number and salaries of employees of the System. The City paid the System \$726,058 in 2024. Separate financial statements are available at 600 South Main Street, Pine Bluff, Arkansas 71601.

**NOTE 16: 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 PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 16: 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.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 17: Local Police and Fire Retirement System (LOPFI)  
(A Defined Benefit Pension Plan)**

Plan Description

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

On July 27, 2017, administration of the City of Firemen's Pension and Relief Fund and the City of Pine Bluff Policemen's Pension and Relief Fund was transferred to LOPFI. The benefit structure of this plan 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 \$2,728,805 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$1,419,217 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 \$19,411,907.

**NOTE 18: 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 \$10,109.

CITY OF PINE BLUFF, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2024

**NOTE 18: Arkansas Public Employees Retirement System (Continued)**

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the City's share of the collective net pension liability. The City's proportionate share of the collective net pension liability at June 30, 2024, (actuarial valuation date and measurement date) was \$72,270.

**NOTE 19: City Non-Uniformed Retirement**

Plan Description

The City Retirement Plan for the City of Pine Bluff is a single employer defined 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.

Funding Policy/Contributions

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 \$827,536 for the year ended December 31, 2024. Based on the December 31, 2024, actuarial valuation, the plan has a net pension asset of \$1,346,381.

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

Schedule 1

	SPECIAL REVENUE FUNDS							
	Community Development	Historic District Commission	Jail Fee	Administration of Justice (AOJ)	Vice Intelligence Narcotics (VIN)	Grants	Emergency Vehicle	Transit
ASSETS								
Cash and cash equivalents	\$ 1,852,254	\$ 629	\$ 74,161	\$ 47,854	\$ 318,891	\$ 265,127	\$ 62,802	\$ 495,979
Investments								
Accounts receivable	2,853							695,792
<b>TOTAL ASSETS</b>	<b>\$ 1,855,107</b>	<b>\$ 629</b>	<b>\$ 74,161</b>	<b>\$ 47,854</b>	<b>\$ 318,891</b>	<b>\$ 265,127</b>	<b>\$ 62,802</b>	<b>\$ 1,191,771</b>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 341,901					\$ 11,639	\$ 188	\$ 42,765
Interfund payables	571,533		\$ 79,978	\$ 507		433,717		319,829
Settlements pending								
<b>Total Liabilities</b>	<b>913,434</b>		<b>79,978</b>	<b>507</b>		<b>445,356</b>	<b>188</b>	<b>362,594</b>
Fund Balances:								
Nonspendable								
Restricted	941,673	\$ 629		47,347	\$ 318,891		62,614	829,177
Committed								
Assigned								
Unassigned			(5,817)			(180,229)		
<b>Total Fund Balances</b>	<b>941,673</b>	<b>629</b>	<b>(5,817)</b>	<b>47,347</b>	<b>318,891</b>	<b>(180,229)</b>	<b>62,614</b>	<b>829,177</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,855,107</b>	<b>\$ 629</b>	<b>\$ 74,161</b>	<b>\$ 47,854</b>	<b>\$ 318,891</b>	<b>\$ 265,127</b>	<b>\$ 62,802</b>	<b>\$ 1,191,771</b>

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

Schedule 1

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS				
	Arts & Science Center for Southeast Arkansas	American Rescue Plan Act	Capital Projects	Sales & Use Tax Capital Improvement Series 2012	Sales & Use Tax Capital Improvement Series 2016	Capital Improvement Series 2016	Library Construction Series 2017
<b>ASSETS</b>							
Cash and cash equivalents	\$ 350,153	\$ 131,236	\$ 343,930	\$ 98	\$ 108,010	\$ 2,848	\$ 17,013
Investments							
Accounts receivable	575						
<b>TOTAL ASSETS</b>	<b>\$ 350,728</b>	<b>\$ 131,236</b>	<b>\$ 343,930</b>	<b>\$ 98</b>	<b>\$ 108,010</b>	<b>\$ 2,848</b>	<b>\$ 17,013</b>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable	\$ 13,971						
Interfund payables	223						
Settlements pending							
Total Liabilities	14,194						
Fund Balances:							
Nonspendable							
Restricted		\$ 131,236		\$ 98	\$ 108,010		\$ 17,013
Committed						\$ 2,848	
Assigned	336,534		\$ 343,930				
Unassigned							
Total Fund Balances	336,534	131,236	343,930	98	108,010	2,848	17,013
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 350,728</b>	<b>\$ 131,236</b>	<b>\$ 343,930</b>	<b>\$ 98</b>	<b>\$ 108,010</b>	<b>\$ 2,848</b>	<b>\$ 17,013</b>

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

Schedule 1

	DEBT SERVICE FUNDS			PERMANENT FUND	TRUST FUND	CUSTODIAL FUNDS			Totals
	Sales & Use Tax Bonds	Franchise Fee Bonds	Library Property Tax Bonds 2017	Cemetery Trust	City Retirement	Payroll	Health Insurance Premium	District Court (Division II)	
<b>ASSETS</b>									
Cash and cash equivalents	\$ 311,498	\$ 377,211	\$ 1,210,193	\$ 461,442	\$ 6,856,236	\$ 683,586	\$ 562,684	\$ 42,766	\$ 14,576,601
Investments				84,288	30,039,991				30,124,279
Accounts receivable	453,018	248,449	76,336		145,756				1,622,779
<b>TOTAL ASSETS</b>	<b>\$ 764,516</b>	<b>\$ 625,660</b>	<b>\$ 1,286,529</b>	<b>\$ 545,730</b>	<b>\$ 37,041,983</b>	<b>\$ 683,586</b>	<b>\$ 562,684</b>	<b>\$ 42,766</b>	<b>\$ 46,323,659</b>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable									\$ 410,464
Interfund payables									1,405,787
Settlements pending						\$ 683,586	\$ 562,684	\$ 42,766	1,289,036
Total Liabilities						683,586	562,684	42,766	3,105,287
Fund Balances:									
Nonspendable				\$ 545,730					545,730
Restricted	\$ 764,516	\$ 625,660	\$ 1,286,529		\$ 37,041,983				42,175,376
Committed									2,848
Assigned									680,464
Unassigned									(186,046)
Total Fund Balances	764,516	625,660	1,286,529	545,730	37,041,983				43,218,372
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 764,516</b>	<b>\$ 625,660</b>	<b>\$ 1,286,529</b>	<b>\$ 545,730</b>	<b>\$ 37,041,983</b>	<b>\$ 683,586</b>	<b>\$ 562,684</b>	<b>\$ 42,766</b>	<b>\$ 46,323,659</b>

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, 2024

Schedule 2

SPECIAL REVENUE FUNDS								
	Community Development	Historic District Commission	Jail Fee	Administration of Justice (AOJ)	Vice Intelligence Narcotics (VIN)	Grants	Emergency Vehicle	Transit
REVENUES								
State aid						\$ 41,558		\$ 106,120
Federal aid	\$ 376,128				\$ 145,028	232,994		1,305,782
Property taxes								
Franchise fees								
Sales taxes								
Fines, forfeitures, and costs				\$ 23,898			\$ 47,710	
Interest			\$ 916	4	4,367		813	4,490
Local permits and fees								
Jail fees			58,529					
Transit fees								42,750
Donations								
Employer contributions								
Employee contributions								
Home program revenue	65,734							
Net increase/(decrease) in fair value of investments								
Other	2,984				3,410	19,881		15
<b>TOTAL REVENUES</b>	<b>444,846</b>		<b>59,445</b>	<b>23,902</b>	<b>152,805</b>	<b>294,433</b>	<b>48,523</b>	<b>1,459,157</b>
EXPENDITURES								
Current:								
General government	1,238,904					132,766		
Law enforcement			33,587	9,287	14,450	152,473		
Highways and streets						78,605		
Public safety						148,194		
Recreation and culture						22,032		
Social services								
Public transit								1,756,410
Wastewater								
<b>Total Current</b>	<b>1,238,904</b>		<b>33,587</b>	<b>9,287</b>	<b>14,450</b>	<b>534,070</b>		<b>1,756,410</b>
Debt Service:								
Bond principal								
Bond interest and other charges								
<b>TOTAL EXPENDITURES</b>	<b>1,238,904</b>		<b>33,587</b>	<b>9,287</b>	<b>14,450</b>	<b>534,070</b>		<b>1,756,410</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(794,058)</b>		<b>25,858</b>	<b>14,615</b>	<b>138,355</b>	<b>(239,637)</b>	<b>48,523</b>	<b>(297,253)</b>
OTHER FINANCING SOURCES (USES)								
Transfers in	1,409,416							300,000
Transfers out								
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,409,416</b>							<b>300,000</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>615,358</b>		<b>25,858</b>	<b>14,615</b>	<b>138,355</b>	<b>(239,637)</b>	<b>48,523</b>	<b>2,747</b>
FUND BALANCES - JANUARY 1	326,315	\$ 629	(31,675)	32,732	180,536	59,408	14,091	826,430
FUND BALANCES - DECEMBER 31	\$ 941,673	\$ 629	\$ (5,817)	\$ 47,347	\$ 318,891	\$ (180,229)	\$ 62,614	\$ 829,177

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, 2024

Schedule 2

	SPECIAL REVENUE FUNDS		CAPITAL PROJECTS FUNDS				
	Arts & Science Center for Southeast Arkansas	American Rescue Plan Act	Capital Projects	Sales & Use Tax Capital Improvement Series 2012	Sales & Use Tax Capital Improvement Series 2016	Capital Improvement Series 2016	Library Construction Series 2017
REVENUES							
State aid							
Federal aid							
Property taxes							
Franchise fees							
Sales taxes							
Fines, forfeitures, and costs							
Interest		\$ 47,248	\$ 779	\$ 14	\$ 6,598	\$ 241	\$ 25,708
Local permits and fees	\$ 92,625						
Jail fees							
Transit fees							
Donations	372,465						
Employer contributions							
Employee contributions							
Home program revenue							
Net increase/(decrease) in fair value of investments							
Other	178,462						
<b>TOTAL REVENUES</b>	<b>643,552</b>	<b>47,248</b>	<b>779</b>	<b>14</b>	<b>6,598</b>	<b>241</b>	<b>25,708</b>
EXPENDITURES							
Current:							
General government			28,500		56,076		
Law enforcement							
Highways and streets							
Public safety							
Recreation and culture	1,099,285					8,000	645,179
Social services							
Public transit							
Wastewater		3,910,987					
Total Current	1,099,285	3,910,987	28,500		56,076	8,000	645,179
Debt Service:							
Bond principal							
Bond interest and other charges							
<b>TOTAL EXPENDITURES</b>	<b>1,099,285</b>	<b>3,910,987</b>	<b>28,500</b>		<b>56,076</b>	<b>8,000</b>	<b>645,179</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(455,733)</b>	<b>(3,863,739)</b>	<b>(27,721)</b>	<b>14</b>	<b>(49,478)</b>	<b>(7,759)</b>	<b>(619,471)</b>
OTHER FINANCING SOURCES (USES)							
Transfers in	149,861		348,843				29,251
Transfers out							
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>149,861</b>		<b>348,843</b>				<b>29,251</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(305,872)</b>	<b>(3,863,739)</b>	<b>321,122</b>	<b>14</b>	<b>(49,478)</b>	<b>(7,759)</b>	<b>(590,220)</b>
FUND BALANCES - JANUARY 1	642,406	3,994,975	22,808	84	157,488	10,607	607,233
FUND BALANCES - DECEMBER 31	\$ 336,534	\$ 131,236	\$ 343,930	\$ 98	\$ 108,010	\$ 2,848	\$ 17,013

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, 2024

Schedule 2

	DEBT SERVICE FUNDS			PERMANENT FUND	TRUST FUND	Totals
	Sales & Use Tax Bonds	Franchise Fee Bonds	Library Property Tax Bonds 2017	Cemetery Trust	City Retirement	
REVENUES						
State aid						\$ 147,678
Federal aid						2,059,932
Property taxes			\$ 1,334,709			1,334,709
Franchise fees		\$ 3,206,516				3,206,516
Sales taxes	\$ 5,523,211					5,523,211
Fines, forfeitures, and costs						71,608
Interest	23,529	20,442	29,510	\$ 15,402	\$ 1,090,013	1,270,074
Local permits and fees						92,625
Jail fees						58,529
Transit fees						42,750
Donations						372,465
Employer contributions					827,536	827,536
Employee contributions					308,936	308,936
Home program revenue						65,734
Net increase/(decrease) in fair value of investments				2,101	2,085,164	2,087,265
Other	170				4,998	209,920
<b>TOTAL REVENUES</b>	<b>5,546,910</b>	<b>3,226,958</b>	<b>1,364,219</b>	<b>17,503</b>	<b>4,316,647</b>	<b>17,679,488</b>
EXPENDITURES						
Current:						
General government					1,676,915	3,133,161
Law enforcement						209,797
Highways and streets						78,605
Public safety						148,194
Recreation and culture						1,774,496
Social services				5,361		5,361
Public transit						1,756,410
Wastewater						3,910,987
Total Current				5,361	1,676,915	11,017,011
Debt Service:						
Bond principal	730,000	476,863	1,145,000			2,351,863
Bond interest and other charges	423,590	150,657	270,303			844,550
<b>TOTAL EXPENDITURES</b>	<b>1,153,590</b>	<b>627,520</b>	<b>1,415,303</b>	<b>5,361</b>	<b>1,676,915</b>	<b>14,213,424</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,393,320	2,599,438	(51,084)	12,142	2,639,732	3,466,064
OTHER FINANCING SOURCES (USES)						
Transfers in						2,237,371
Transfers out	(4,402,722)	(2,656,973)	(29,251)			(7,088,946)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,402,722)</b>	<b>(2,656,973)</b>	<b>(29,251)</b>			<b>(4,851,575)</b>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(9,402)	(57,535)	(80,335)	12,142	2,639,732	(1,385,511)
FUND BALANCES - JANUARY 1	773,918	683,195	1,366,864	533,588	34,402,251	44,603,883
FUND BALANCES - DECEMBER 31	\$ 764,516	\$ 625,660	\$ 1,286,529	\$ 545,730	\$ 37,041,983	\$ 43,218,372

CITY OF PINE BLUFF, 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>
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 town or city to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating town or city prisoners; construction, maintenance, and operation of the town or city jail and payments to other entities for incarcerating town or city prisoners; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers.
Administration of Justice (AOJ)	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.
Vice Intelligence Narcotics (VIN)	Established to process the Department of Justice and the Department of 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.
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.
Arts & Science Center for Southeast Arkansas	Pine Bluff Ordinance No. 4139 (May 5, 1969) established fund to provide recreational services and promote cultural growth to the residents of the City.
American Rescue Plan Act	Established to receive and disburse Coronavirus State and Local Fiscal Recovery Funds (SLFR), a part of the American Rescue Plan Act (ARPA) of 2021, to support response to and recovery from the COVID-19 public health emergency.

CITY OF PINE BLUFF, 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>
Capital Projects	Pine Bluff Ordinance No. 6615 (October 15, 2018) authorized the issuance of a promissory note for the construction and installation of improvements to the city's aquatic center. Established to account for the disbursements of the debt proceeds for the aquatic center construction.
Sales & Use Tax Capital Improvement 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.
Sales & Use Tax Capital Improvement 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 Improvement 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 & Use Tax Bonds	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	Pine Bluff Ordinance Nos. 6481 (March 17, 2014), 6547 (August 15, 2016), 6634 (August 5, 2019), and 6728 (December 28, 2021) authorized the issuance of franchise fee revenue bonds. Established to account for the accumulation of resources to retire the debt.
Library Property Tax Bonds 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.
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 OF PINE BLUFF, 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>
City Retirement	Pine Bluff City Code § 19-36 (1993) established fund to process the self-supported retirement plan for nonuniformed employees.
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.
District Court (Division II)	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.

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

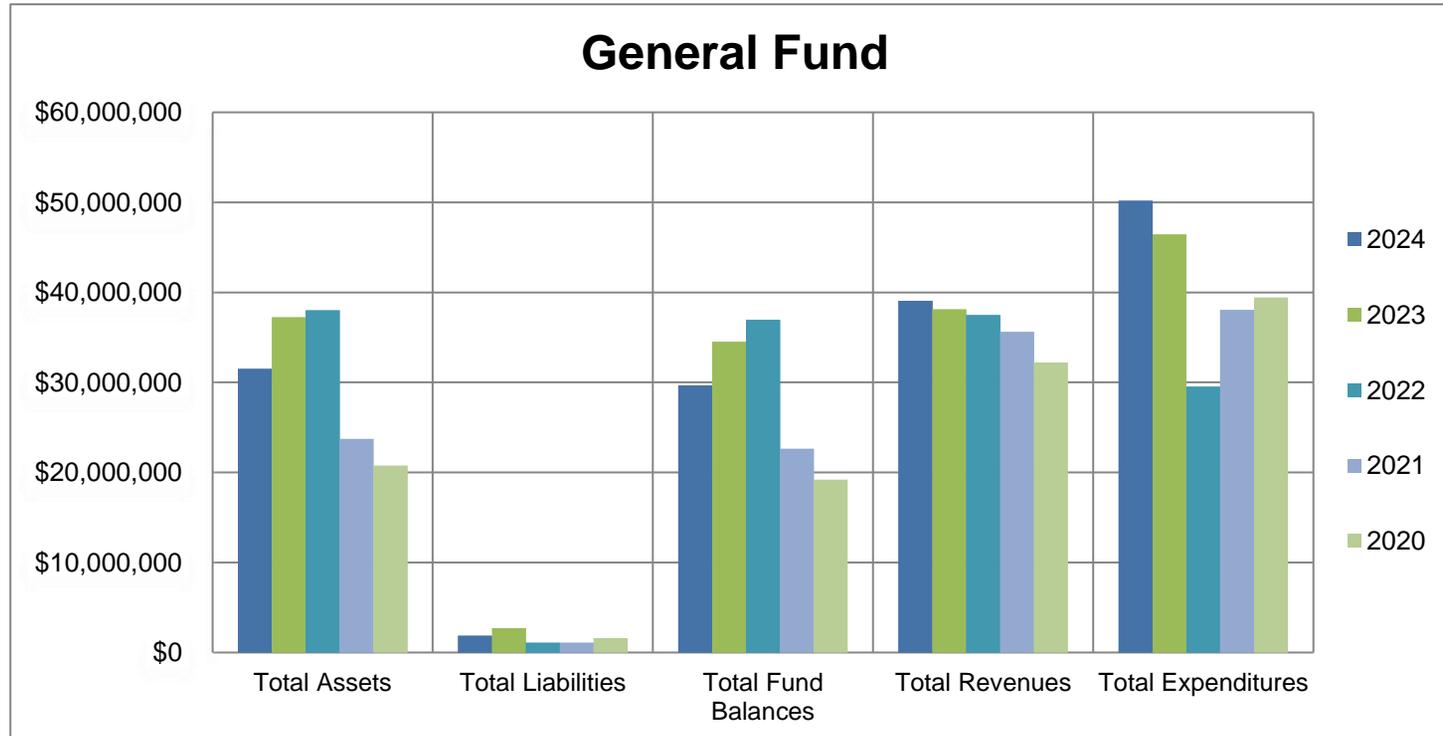
Schedule 3

	December 31, 2024
Land	\$ 1,330,407
Buildings	48,961,850
Infrastructure	21,094,551
Improvements	15,835,936
Vehicles	8,831,263
Heavy Equipment	12,571,912
Equipment	<u>6,178,736</u>
Total	<u>\$ 114,804,655</u>

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

Schedule 4-1

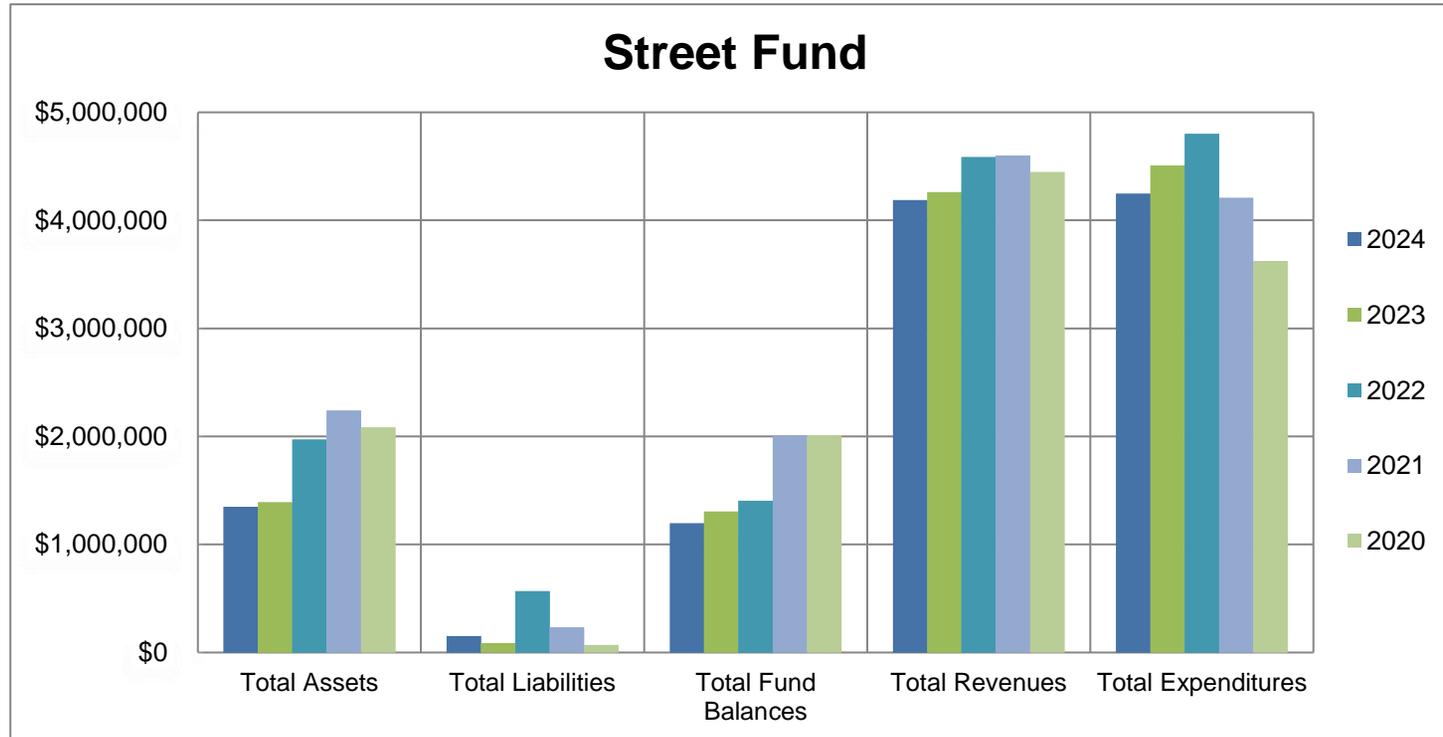
<u>General</u>	2024	2023	2022	2021	2020
Total Assets	\$ 31,514,264	\$ 37,211,259	\$ 38,014,744	\$ 23,709,970	\$ 20,752,208
Total Liabilities	1,871,192	2,693,959	1,079,529	1,085,742	1,564,051
Total Fund Balances	29,643,072	34,517,300	36,935,215	22,624,228	19,188,157
Total Revenues	39,082,897	38,105,526	37,487,848	35,585,798	32,218,877
Total Expenditures	50,181,813	46,432,496	29,520,666	38,057,076	39,424,079
Total Other Financing Sources/Uses	6,224,688	5,909,055	6,339,302	5,918,114	10,981,356



CITY OF PINE BLUFF, 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	\$ 1,348,531	\$ 1,391,246	\$ 1,970,052	\$ 2,238,013	\$ 2,083,116
Total Liabilities	152,903	86,446	566,341	231,652	70,344
Total Fund Balances	1,195,628	1,304,800	1,403,711	2,006,361	2,012,772
Total Revenues	4,187,976	4,260,341	4,584,287	4,600,213	4,447,228
Total Expenditures	4,247,148	4,509,252	4,799,333	4,207,083	3,623,177
Total Other Financing Sources/Uses	(50,000)	150,000	(387,604)	(399,541)	(355,174)



CITY OF PINE BLUFF, 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	\$ 46,323,659	\$ 46,707,166	\$ 43,752,316	\$ 50,016,590	\$ 40,928,710
Total Liabilities	3,105,287	2,103,283	1,920,455	1,894,707	2,198,642
Total Fund Balances	43,218,372	44,603,883	41,831,861	48,121,883	38,730,068
Total Revenues	17,679,488	18,863,080	20,156,740	27,146,795	17,574,617
Total Expenditures	14,213,424	10,287,928	20,634,785	12,098,509	17,770,380
Total Other Financing Sources/Uses	(4,851,575)	(5,798,299)	(5,840,377)	(5,442,923)	(5,240,153)

