

City of Lonoke, Arkansas

**Regulatory Basis Financial Statements
and Other Reports**

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF LONOKE, ARKANSAS
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Arkansas

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Senate Chair
Sen. John Payton
Senate Vice Chair



Rep. Jimmy Gazaway
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Rep. Richard Womack
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Kevin William White, CPA JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Independent Auditor's Report

City of Lonoke, 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 Lonoke, 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, 2023, and the related Statements of Revenues, Expenses, and Changes in Fund Balances and 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 Lonoke, Arkansas as of December 31, 2023; the regulatory basis revenues, expenditures, and changes in net position; and the budgetary comparisons for the general fund and street fund for the year then ended, in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

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 Lonoke, Arkansas, as of December 31, 2023, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

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

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

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

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

Emphasis of Matter

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2024, 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
May 15, 2024
LOM109723

Arkansas

Sen. David Wallace
Senate Chair
Sen. John Payton
Senate Vice Chair



Rep. Jimmy Gazaway
House Chair
Rep. Richard Womack
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 Lonoke, 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 Lonoke, Arkansas (City), as of and for the year ended December 31, 2023, 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 May 15, 2024. 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 May 15, 2024.

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



Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
May 15, 2024

Arkansas

Sen. David Wallace
Senate Chair
Sen. John Payton
Senate Vice Chair



Rep. Jimmy Gazaway
House Chair
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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

MANAGEMENT LETTER

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

The commentary contained in this letter relates to the following officials who held office during 2023:

Mayor: Wayne McGee
City Clerk: Jeribeth Edwards
Recorder/Treasurer: Vacant (May 5, 2023 —December 31, 2023)
Craig Blackard (resigned May 4, 2023)
District Court Clerk: Dick Goodrich
Police Chief: Matt Edwards

No issues came to our attention that we considered necessary to report to management.

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

Handwritten signature of Timothy R. Jones in black ink.

Timothy R. Jones, CPA, CFF
Deputy Legislative Auditor

Little Rock, Arkansas
May 15, 2024

CITY OF LONOKE, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2023

Exhibit A

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 678,376	\$ 326,466	\$ 6,361,406
Investments			405,678
Accounts receivable	<u>242,713</u>	<u>46,615</u>	<u>359,138</u>
TOTAL ASSETS	<u><u>\$ 921,089</u></u>	<u><u>\$ 373,081</u></u>	<u><u>\$ 7,126,222</u></u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 66,552	\$ 56,822	\$ 50,214
Settlements pending			26,722
Total Liabilities	<u>66,552</u>	<u>56,822</u>	<u>76,936</u>
Fund Balances:			
Restricted			2,993,246
Committed			3,105,573
Assigned	1,140	316,259	950,467
Unassigned	<u>853,397</u>		
Total Fund Balances	<u>854,537</u>	<u>316,259</u>	<u>7,049,286</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 921,089</u></u>	<u><u>\$ 373,081</u></u>	<u><u>\$ 7,126,222</u></u>

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

CITY OF LONOKE, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit B

	General	Street	Other Funds in the Aggregate
REVENUES			
State aid	\$ 334,657	\$ 360,709	\$ 2,980
Property taxes	285,336	54,278	22,879
Franchise fees	268,586		
Sales taxes	548,701	337,439	3,632,725
Fines, forfeitures, and costs	67,883		35,180
Interest	23,008	1,208	95,656
Local permits and fees	396,808		152,481
Sanitation fees	253,974	101,262	
Advertising and promotion taxes			398,986
Mosquito fees	62,706		
Reimburse law enforcement	98,909		
Employer/employee contributions	8,302		17,958
Net increase/(decrease) in fair value of investments			44,027
Other	24,589	18,883	13,565
TOTAL REVENUES	2,373,459	873,779	4,416,437
EXPENDITURES			
Current:			
General government	324,585		378,411
Law enforcement	878,869		392,055
Highways and streets	55,120	1,027,076	
Public safety	229,315		364,324
Sanitation	230,495		23,280
Health	63,332		138,412
Recreation and culture	146,015		1,033,768
Advertising and promotion			383,313
Community development	198,890		
Wastewater			46,000
Total Current	2,126,621	1,027,076	2,759,563
Debt Service:			
Bond principal			950,000
Bond interest and other charges			680,831
Financed purchases principal	170,604	11,854	17,824
Financed purchases interest	38,238	2,518	9,230
TOTAL EXPENDITURES	2,335,463	1,041,448	4,417,448

CITY OF LONOKE, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2023

Exhibit B

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 37,996</u>	<u>\$ (167,669)</u>	<u>\$ (1,011)</u>
OTHER FINANCING SOURCES (USES)			
Contribution from water department	82,405		
Insurance proceeds	<u>16,197</u>		<u>171,890</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>98,602</u>		<u>171,890</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	136,598	(167,669)	170,879
FUND BALANCES - JANUARY 1	<u>717,939</u>	<u>483,928</u>	<u>6,878,407</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 854,537</u></u>	<u><u>\$ 316,259</u></u>	<u><u>\$ 7,049,286</u></u>

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

CITY OF LONOKE, 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, 2023

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 338,779	\$ 334,657	\$ (4,122)	\$ 360,709	\$ 360,709	\$ 0
Property taxes	272,888	285,336	12,448	51,843	54,278	2,435
Franchise fees	260,014	268,586	8,572	55,120		(55,120)
Sales taxes	543,068	548,701	5,633	334,681	337,439	2,758
Fines, forfeitures, and costs	65,206	67,883	2,677			
Interest	1,707	23,008	21,301	1,208	1,208	0
Local permits and fees	401,785	396,808	(4,977)			
Sanitation fees	253,775	253,974	199	98,237	101,262	3,025
Mosquito fees	62,697	62,706	9			
Reimburse law enforcement	99,561	98,909	(652)			
Employer/employee contributions	8,302	8,302	0			
Other	27,728	24,589	(3,139)	18,883	18,883	0
TOTAL REVENUES	2,335,510	2,373,459	37,949	920,681	873,779	(46,902)
EXPENDITURES						
Current:						
General government	734,714	324,585	410,129			
Law enforcement	1,166,610	878,869	287,741			
Highways and streets		55,120	(55,120)	1,107,144	1,027,076	80,068
Public safety	534,233	229,315	304,918			
Sanitation	253,775	230,495	23,280			
Health	201,744	63,332	138,412			
Recreation and culture	617,403	146,015	471,388			
Community development	236,773	198,890	37,883			
Total Current	3,745,252	2,126,621	1,618,631	1,107,144	1,027,076	80,068
Debt Service:						
Financed purchases principal	97,479	170,604	(73,125)	14,372	11,854	2,518
Financed purchases interest		38,238	(38,238)		2,518	(2,518)
TOTAL EXPENDITURES	3,842,731	2,335,463	1,507,268	1,121,516	1,041,448	80,068

CITY OF LONOKE, 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, 2023

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ (1,507,221)	\$ 37,996	\$ 1,545,217	\$ (200,835)	\$ (167,669)	\$ 33,166
OTHER FINANCING SOURCES (USES)						
Transfers out	55,120		(55,120)			
Contribution from water department		82,405	82,405			
Insurance proceeds		16,197	16,197			
TOTAL OTHER FINANCING SOURCES (USES)	55,120	98,602	43,482			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(1,452,101)	136,598	1,588,699	(200,835)	(167,669)	33,166
FUND BALANCES - JANUARY 1	905,777	717,939	(187,838)	326,466	483,928	157,462
FUND BALANCES - DECEMBER 31	\$ (546,324)	\$ 854,537	\$ 1,400,861	\$ 125,631	\$ 316,259	\$ 190,628

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

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1: Summary of Significant Accounting Policies

A. Financial Reporting Entity

The City of Lonoke was incorporated under the laws of the State of Arkansas and operates under an elected Mayor-Council form of government. The reporting entity includes all funds of the City. Under accounting principles generally accepted in the United States of America (GAAP) as established by the *Government Accounting Standards Board*, the following fund of the City would have been included in the reporting entity: Water and Sewer. However, under Arkansas's regulatory basis described below, inclusion of this fund is not required and this fund is not included in this report.

B. Basis of Presentation – Regulatory

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

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

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

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

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

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

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation – Regulatory (Continued)

Other Funds in the Aggregate (Continued)

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 the Debt Service 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 accounts, certificates of deposit, 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, and costs, that have not been transferred to the appropriate entities.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1: Summary of Significant Accounting Policies (Continued)

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

Fund Balance Classifications

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

E. Property Taxes

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

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 LONOKE, ARKANSAS
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2023

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)	\$ 761,122	\$ 761,122
Collateralized:		
Collateral held by the City's agent, pledging bank or pledging bank's trust department or agent in the City's name	6,198,208	6,502,552
Uncollateralized	406,673	406,673
Total Deposits	\$ 7,366,003	\$ 7,670,347

The above total deposits do not include cash on hand of \$245.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits. A formal policy for custodial risk has not been adopted by the City. As of December 31, 2023, \$406,673 of the City's cash balances were exposed to custodial credit risk. The balances exposed to custodial credit 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.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3: Legal or Contractual Provisions for Deposits and Investments (Continued)

Pension Trust Funds

State law generally requires that pension funds be deposited in banks. Pension funds may be invested in interest-bearing bonds of the United States, of the State of Arkansas, or of the city in which the board is located, in a local government joint investment trust, in the Arkansas Local Police and Fire Retirement System, or in savings and loan associations duly established and authorized to do business in this state. State law also provides that if the total assets of the pension trust fund exceed \$100,000, the board may employ an investment advisor to invest the assets, subject to terms, conditions, limitations, and restrictions imposed by law upon the Arkansas Local Police and Fire Retirement System.

NOTE 4: Public Fund Investments

A summary of investments by fund types is as follows:

Fund Type	December 31, 2023 Fair Value
Pension Trust - Firemen's Pension and Relief	\$ 405,678

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:

December 31, 2023 Investment Type	Quoted Prices in Active Markets for Identical Investments Level I
Mutual funds	\$ 348,649
Exchange traded funds	57,029
Total	\$ 405,678

The fair value of mutual funds and exchange traded funds are based on quoted market prices obtained from independent pricing sources and are classified as Level I inputs.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5: Accounts Receivable

The accounts receivable balance at December 31, 2023, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Property taxes	\$ 29,008	\$ 5,511	\$ 2,318
Franchise fees	121,862		
Sales taxes	53,120	30,168	319,084
Fines, forfeitures, and costs	4,198		2,088
Local permits and fees	2,879		1,791
Sanitation fees	21,218	10,936	
Advertising and promotion taxes			33,079
Mosquito fees	5,214		
Reimburse law enforcement	3,956		
Other	1,258		778
Totals	<u>\$ 242,713</u>	<u>\$ 46,615</u>	<u>\$ 359,138</u>

NOTE 6: Accounts Payable

The accounts payable balance at December 31, 2023, is composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Vendor payables	\$ 22,790	\$ 48,786	\$ 40,250
Salaries payable	32,835	6,182	7,876
Payroll taxes payable	10,927	1,854	2,088
Totals	<u>\$ 66,552</u>	<u>\$ 56,822</u>	<u>\$ 50,214</u>

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7: Details of Fund Balance Classifications

Fund balance classifications at December 31, 2023, are composed of the following:

Description	General Fund	Street Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 267,219
Law enforcement			1,387,229
Recreation and culture			24,376
Advertising and promotion			295,366
Pension benefits			472,371
Capital outlay			1,744
Debt service			544,941
Total Restricted			<u>2,993,246</u>
Committed for:			
General government			2,159,090
Law enforcement			483,944
Public safety			81,268
Health			144,727
Recreation and culture			236,544
Total Committed			<u>3,105,573</u>
Assigned to:			
Law enforcement	\$ 245		229
Highways and streets		\$ 316,259	
Public safety	895		
Recreation and culture			950,238
Total Assigned	<u>1,140</u>	<u>316,259</u>	<u>950,467</u>
Unassigned	<u>853,397</u>		
Totals	<u>\$ 854,537</u>	<u>\$ 316,259</u>	<u>\$ 7,049,286</u>

NOTE 8: Legal Debt Limit

A. Property Tax Secured Bonded Debt

The City is subject to a constitutional limitation for bonded indebtedness equal to 20% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2023, the legal debt limit for the bonded debt was \$10,824,678. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The City is subject to a constitutional limitation for short-term financing obligations equal to 5% of the assessed value of taxable property within the City as determined by the last tax assessment. At December 31, 2023, the legal debt limit for short-term financing obligations was \$2,892,020. The amount of short-term financing obligations was \$72,714 leaving a legal debt margin of \$2,819,306.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9: Commitments

Total commitments consist of the following at December 31, 2023:

	December 31, 2023
Long-term liabilities	\$ 19,288,343

Long-term liabilities

Long-term liabilities at December 31, 2023, are comprised of the following:

	December 31, 2023
<u>Bonds</u>	
2018 Sales and Use Tax Bonds, dated March 12, 2018, in the amount of \$20,270,000, due in annual installments of \$205,000 to \$3,905,000 due June 1 beginning in 2018 through June 2048; interest rate from 2.0% to 5.0%. Payments are to be made from the 2018 Debt Service Bond Fund.	\$ 17,060,000
<u>Direct Borrowings</u>	
Financed purchases agreement dated March 10, 2020, to First State Bank, in the amount of \$450,000, for construction of ballpark concession and restroom building, 59 monthly payments of \$8,123 and a final payment of \$8,262; 3.15% interest rate. Payments are to be made from the General Fund.	23,220
Financed purchase dated April 15, 2021 and amended May 16, 2022 with First State Bank, for a total amount of \$2,202,531, for the acquisition, installation, and construction of certain energy efficiency equipment, improvements, and renovations, 20 annual payment of \$137,604; 2.23% interest rate. Payments are to be made from various funds.	2,022,466
Financed purchase agreement dated September 14, 2022, to Bank of England, in the amount of \$64,231, for a custom built 2022 Ford F-550, 60 monthly payments of \$1,198; 4.50% interest rate. Payments are to be made from the Street Fund.	49,494
Total Direct Borrowings	2,095,180
Compensated absences consisting of accrued vacation and sick leave adjusted to current salary cost	133,163
Total Long-term liabilities	\$ 19,288,343

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

The City's outstanding bonds payable of \$17,060,000 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.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9: Commitments (Continued)

Long-term liabilities (Continued)

The City's outstanding direct borrowings of \$2,095,180 contain a provision that in an event of default, outstanding amounts, at the Lender's sole option, may be declared immediately due 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.

Post Employment Benefits Other Than Pensions

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

Long-Term Debt Issued and Outstanding

Date of Issue	Date of Final Maturity	Rate of Interest	Amount Authorized and Issued	Debt Outstanding December 31, 2023	Maturities to December 31, 2023
<u>Bonds</u>					
3/12/18	6/1/48	2.00 - 5.00%	\$ 20,270,000	\$ 17,060,000	\$ 3,210,000
<u>Direct Borrowings</u>					
3/10/20	3/10/25	3.15%	450,000	23,220	426,780
4/15/21	4/14/41	2.23%	2,202,531 *	2,022,466	180,065
9/14/22	9/15/27	4.50%	64,231	49,494	14,737
Total Direct Borrowings			<u>2,716,762</u>	<u>2,095,180</u>	<u>621,582</u>
Total Long-Term Debt			<u>\$ 22,986,762</u>	<u>\$ 19,155,180</u>	<u>\$ 3,831,582</u>

* Amount Authorized and Issued was updated to reflect a project increase of \$59,394.

Changes in Long-Term Debt

	Balance January 01, 2023	Issued	Retired	Balance December 31, 2023
Bonds payable	\$ 18,010,000	\$ 0	\$ 950,000	\$ 17,060,000
<u>Direct Borrowings</u>				
Financed purchases	2,295,462 *	0	200,282	2,095,180
Total Long-Term Debt	<u>\$ 20,305,462</u>	<u>\$ 0</u>	<u>\$ 1,150,282</u>	<u>\$ 19,155,180</u>

* The balance on January 1, 2023, was updated to reflect a project increase of \$59,394 and additional principal payments of \$5,161.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9: Commitments (Continued)

Debt Service Requirements to Maturity

The City is obligated for the following amounts at December 31, 2023:

Years Ending December 31,	Bonds			Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 445,000	\$ 641,718	\$ 1,086,718	\$ 127,991	\$ 46,516	\$ 174,507
2025	470,000	618,844	1,088,844	105,738	46,238	151,976
2026	495,000	597,194	1,092,194	109,627	42,349	151,976
2027		587,294	587,294	108,805	39,568	148,373
2028	1,050,000	566,294	1,616,294	100,354	37,250	137,604
2029 through 2033	2,325,000	2,536,344	4,861,344	537,305	150,717	688,022
2034 through 2038	2,700,000	1,961,681	4,661,681	600,884	87,138	688,022
2039 through 2043	4,875,000	1,259,456	6,134,456	404,476	18,674	423,150
2044 through 2048	4,700,000	504,722	5,204,722			
Totals	<u>\$ 17,060,000</u>	<u>\$ 9,273,547</u>	<u>\$ 26,333,547</u>	<u>\$ 2,095,180</u>	<u>\$ 468,450</u>	<u>\$ 2,563,630</u>

NOTE 10: Pledged Revenues

The City pledged two separate sales and use taxes (1.25% and 0.25%) to repay \$20,270,000 in bonds that were issued in 2018 to provide funding for various capital improvements for the City. Total principal and interest remaining on the bonds are \$17,060,000 and \$9,273,547, respectively, payable through June 1, 2048. For 2023, principal and interest paid were \$950,000 and \$678,581, respectively.

The Debt Service Fund received \$1,593,999 in sales taxes in 2023. Any sales taxes collected in excess of debt service payments on these bonds is permitted to be used to provide financial support for the operation of the City Police and Fire Departments.

NOTE 11: 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.

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.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 11: Risk Management (Continued)

Municipal Vehicle Program

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

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

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

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

NOTE 12: Firemen's Pension and Relief Plan

Plan Description

The Firemen's Pension and Relief Plan is a single-employer defined benefit pension plan that covers municipal firemen employed prior to January 1, 1983. The plan, administered by the City, provides retirement, disability, and survivor benefits. Benefit and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. State law does provide that upon actuarial soundness of the plan, the Board may increase retirement benefits. The plan was closed to new entrants on January 1, 1983. The plan does not issue a stand-alone financial report but is included in the City's financial report.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 12: Firemen's Pension and Relief Plan (Continued)

Contributions

Active participants of the plan are required to make contributions of not less than 6% of their salary to the plan. Active volunteer firemen are required to make contributions of \$12 per year. The City is required by state law to contribute an amount equal to but not less than 6% of the participant's salary and an amount equal to the contribution paid by any volunteer fireman. The plan is also funded with state insurance tax and property tax on real estate and personal property. If the funds in the plan should be insufficient to make full payment of the amount of pensions to all persons entitled, then the funds shall be prorated among those entitled by the proper authorities as may be deemed just and equitable. The City's contribution to the plan was \$0 for the year ended December 31, 2023. The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the City's net pension liability. Based on the December 31, 2022, actuarial valuation, the plan has a net pension liability of \$53,506.

**NOTE 13: Local Police and Fire Retirement System (LOPFI)
(A Defined Benefit Pension Plan)**

Plan Description

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

Funding Policy

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

- A. Paid service not covered by Social Security: 8.5% of gross pay
- B. Paid service also covered by Social Security: 2.5% of gross pay
- C. Volunteer fire service: no employee contribution

The City is required to contribute at an actuarially determined rate. The contribution requirements of plan members are established and may be amended by State law. The contribution requirements of the City are established and may be amended by the LOPFI Board of Trustees. The plan is also funded with state insurance tax. The City's contribution to the plan was \$128,923 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$64,925 for the year ended December 31, 2023.

Net Pension Liability

The requirements of Governmental Accounting Standards Board Statement no. 68, under the regulatory basis of accounting, are limited to disclosure of the City's share of the collective net pension liability. The City's proportionate share of the collective net pension liability at December 31, 2022, (actuarial valuation date and measurement date) was \$1,515,535.

CITY OF LONOKE, ARKANSAS
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 14: Arkansas Public Employees Retirement System

Plan Description

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

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Beginning July 1, 2022, the contribution rates shall be increased in increments of .25% per fiscal year, not to exceed 7%. The contributory rate was increased to 5.5% as of July 1, 2023. 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, 2023, (date of APERS Employer Allocation Report) was \$5,952.

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, 2023, (actuarial valuation date and measurement date) was \$51,084.

NOTE 15: Mayor's Retirement Benefits

Plan Description

Ark. Code Ann. § 24-12-123 establishes retirement benefits for mayors in cities of the first class and death benefits to their spouses at the option of the governing body of the City. Benefits and contribution provisions are established by State law and can be amended only by the Arkansas General Assembly. A retiree is entitled to receive an annual retirement benefit during the remainder of their natural life, payable at the rate of one-half (1/2) of the salary payable to the mayor at the completion of his or her last term as mayor. Retirement benefits are to be paid monthly from the City's General Fund. A mayor may retire: 1.) upon reaching the age of 60 with a minimum of ten years of service or 2.) upon serving 20 years, regardless of age. The City paid Mayor Wayne McGee \$15,000, for the year ended December 31, 2023.

NOTE 16: Employee Retirement Program (Defined Contribution Pension Plan)

The Lonoke City Council has contracted with Nationwide Retirement Solutions to provide a 457 – (b) governmental plan and trust to every eligible employee. Eligible employees include all full-time employees with the exception of police officers and the District Court Clerk and Judge. Employer contributions are determined by a vote of the City Council. The current contribution rate is 2% more than the employee contribution with a cap at 7%. Benefits are distributed upon attainment of retirement age (as designated by the City, but not earlier than age 65), death, or disability. Benefits are limited to contributions made for the employees and the earnings on those contributions. Therefore, the plan will have no unfunded liabilities. The City's contributions to the plan were \$32,293 for the year ended December 31, 2023.

NOTE 17: Insurance Proceeds

The City received \$16,197 of insurance proceeds for damage to two 2019 Dodge Chargers due to accidents that occurred on December 6, 2022 and July 6, 2023.

The City received \$171,890 of insurance proceeds for wind damage to the Community Center roof that occurred January 2, 2023.

CITY OF LONOKE, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023

Schedule 1

SPECIAL REVENUE FUNDS										
	District Court Cost	Criminal Justice	Fire Sales Tax	General/Court/ Sanitation Sales Tax	Mosquito Control Sales Tax	Park Sales Tax	Police Sales Tax	Retail Economic Development Sales Tax	Local Police and Fire Retirement (LOPFI)	Community Center Operating
ASSETS										
Cash and cash equivalents	\$ 6,779	\$ 454,316	\$ 70,403	\$ 126,472	\$ 133,862	\$ 225,679	\$ 456,782	\$ 106,404	\$ 263,489	\$ 953,583
Investments										
Accounts receivable	148	1,289	10,865	10,865	10,865	10,865	27,162	6,210	43	57,795
TOTAL ASSETS	<u>\$ 6,927</u>	<u>\$ 455,605</u>	<u>\$ 81,268</u>	<u>\$ 137,337</u>	<u>\$ 144,727</u>	<u>\$ 236,544</u>	<u>\$ 483,944</u>	<u>\$ 112,614</u>	<u>\$ 263,532</u>	<u>\$ 1,011,378</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable							\$ 594	\$ 10,467	\$ 36,764	
Settlements pending										
Total Liabilities							<u>594</u>	<u>10,467</u>	<u>36,764</u>	
Fund Balances:										
Restricted	\$ 6,927	\$ 455,376							253,065	24,376
Committed			\$ 81,268	\$ 137,337	\$ 144,727	\$ 236,544	\$ 483,944	112,020		
Assigned		229								950,238
Total Fund Balances	<u>6,927</u>	<u>455,605</u>	<u>81,268</u>	<u>137,337</u>	<u>144,727</u>	<u>236,544</u>	<u>483,944</u>	<u>112,020</u>	<u>253,065</u>	<u>974,614</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,927</u>	<u>\$ 455,605</u>	<u>\$ 81,268</u>	<u>\$ 137,337</u>	<u>\$ 144,727</u>	<u>\$ 236,544</u>	<u>\$ 483,944</u>	<u>\$ 112,614</u>	<u>\$ 263,532</u>	<u>\$ 1,011,378</u>

CITY OF LONOKE, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023

Schedule 1

SPECIAL REVENUE FUNDS

	District Court Automation	Seizure	Industrial Development Sales Tax	Advertising and Promotion Tax	Municipal Judge's and Clerk's Retirement	Police and Fire Sales Tax	Arkansas Economic Development Commission Grant	Federal Forfeiture	American Rescue Plan Act
ASSETS									
Cash and cash equivalents	\$ 15,277	\$ 3,771	\$ 1,890,719	\$ 262,287	\$ 23,826	\$ 597,311	\$ 1	\$ 3,291	\$ 269,383
Investments									
Accounts receivable	376		19,013	33,079	232	28,002			
TOTAL ASSETS	<u>\$ 15,653</u>	<u>\$ 3,771</u>	<u>\$ 1,909,732</u>	<u>\$ 295,366</u>	<u>\$ 24,058</u>	<u>\$ 625,313</u>	<u>\$ 1</u>	<u>\$ 3,291</u>	<u>\$ 269,383</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 225								\$ 2,164
Settlements pending									
Total Liabilities	<u>225</u>								<u>2,164</u>
Fund Balances:									
Restricted	15,428	\$ 3,771		\$ 295,366	\$ 24,058	\$ 625,313		\$ 3,291	267,219
Committed			\$ 1,909,732				\$ 1		
Assigned									
Total Fund Balances	<u>15,428</u>	<u>3,771</u>	<u>1,909,732</u>	<u>295,366</u>	<u>24,058</u>	<u>625,313</u>	<u>1</u>	<u>3,291</u>	<u>267,219</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 15,653</u>	<u>\$ 3,771</u>	<u>\$ 1,909,732</u>	<u>\$ 295,366</u>	<u>\$ 24,058</u>	<u>\$ 625,313</u>	<u>\$ 1</u>	<u>\$ 3,291</u>	<u>\$ 269,383</u>

CITY OF LONOKE, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2023

Schedule 1

	CAPITAL PROJECT FUND	DEBT SERVICE FUND	TRUST FUND	CUSTODIAL FUNDS		
	Sales and Use Tax Bonds, Series 2018 Project	Sales and Use Tax Bonds, Series 2018 Debt Service	Firemen's Pension and Relief	Tax Clearing	District Court	Totals
ASSETS						
Cash and cash equivalents	\$ 1,744	\$ 404,930	\$ 64,375	\$ 1	\$ 26,721	\$ 6,361,406
Investments			405,678			405,678
Accounts receivable		140,011	2,318			359,138
TOTAL ASSETS	<u>\$ 1,744</u>	<u>\$ 544,941</u>	<u>\$ 472,371</u>	<u>\$ 1</u>	<u>\$ 26,721</u>	<u>\$ 7,126,222</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable						\$ 50,214
Settlements pending				\$ 1	\$ 26,721	26,722
Total Liabilities				<u>1</u>	<u>26,721</u>	<u>76,936</u>
Fund Balances:						
Restricted	\$ 1,744	\$ 544,941	\$ 472,371			2,993,246
Committed						3,105,573
Assigned						950,467
Total Fund Balances	<u>1,744</u>	<u>544,941</u>	<u>472,371</u>			<u>7,049,286</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,744</u>	<u>\$ 544,941</u>	<u>\$ 472,371</u>	<u>\$ 1</u>	<u>\$ 26,721</u>	<u>\$ 7,126,222</u>

CITY OF LONOKE, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	SPECIAL REVENUE FUNDS							
	District Court Cost	Criminal Justice	Fire Sales Tax	General/Court/S anitation Sales Tax	Mosquito Control Sales Tax	Park Sales Tax	Police Sales Tax	Retail Economic Development Sales Tax
REVENUES								
State aid								
Property taxes								
Sales taxes			\$ 123,695	\$ 123,695	\$ 123,695	\$ 123,695	\$ 309,237	\$ 61,847
Fines, forfeitures, and costs	\$ 1,723	\$ 17,556						
Interest		1,779	575	618	756	772	1,237	826
Local permits and fees								
Advertising and promotion taxes								
Employer/employee contributions								
Net increase/(decrease) in fair value of investments								
Other							120	5,229
TOTAL REVENUES	1,723	19,335	124,270	124,313	124,451	124,467	310,594	67,902
EXPENDITURES								
Current:								
General government				14,550				20,760
Law enforcement		53		85,000			165,000	
Public safety			145,492					
Sanitation				23,280				
Health					138,412			
Recreation and culture						82,764		155,681
Advertising and promotion								
Wastewater								
Total Current		53	145,492	122,830	138,412	82,764	165,000	176,441
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchases principal								5,916
Financed purchases interest								2,794
TOTAL EXPENDITURES		53	145,492	122,830	138,412	82,764	165,000	185,151
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,723	19,282	(21,222)	1,483	(13,961)	41,703	145,594	(117,249)
OTHER FINANCING SOURCES (USES)								
Insurance proceeds								
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	1,723	19,282	(21,222)	1,483	(13,961)	41,703	145,594	(117,249)
FUND BALANCES - JANUARY 1	5,204	436,323	102,490	135,854	158,688	194,841	338,350	229,269
FUND BALANCES - DECEMBER 31	\$ 6,927	\$ 455,605	\$ 81,268	\$ 137,337	\$ 144,727	\$ 236,544	\$ 483,944	\$ 112,020

CITY OF LONOKE, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	SPECIAL REVENUE FUNDS							
	Local Police and Fire Retirement (LOPFI)	Community Center Operating	District Court Automation	Seizure	Industrial Development Sales Tax	Advertising and Promotion Tax	Municipal Judge's and Clerk's Retirement	Police and Fire Sales Tax
REVENUES								
State aid								
Property taxes								
Sales taxes		\$ 637,599			\$ 216,464			\$ 318,799
Fines, forfeitures, and costs	\$ 514		\$ 8,033	\$ 1,294			\$ 2,778	
Interest	7,271	20,102	57	14	8,865	\$ 1,498	686	7,803
Local permits and fees		152,481						
Advertising and promotion taxes						398,986		
Employer/employee contributions	15,848						2,110	
Net increase/(decrease) in fair value of investments								
Other		5,475				2,741		
TOTAL REVENUES	23,633	815,657	8,090	1,308	225,329	403,225	5,574	326,602
EXPENDITURES								
Current:								
General government					6,359			
Law enforcement	3,138		5,994				8,275	124,595
Public safety	1,512							146,958
Sanitation								
Health								
Recreation and culture		793,159						
Advertising and promotion						383,313		
Wastewater								
Total Current	4,650	793,159	5,994		6,359	383,313	8,275	271,553
Debt Service:								
Bond principal								
Bond interest and other charges								
Financed purchases principal		11,908						
Financed purchases interest		5,623						
TOTAL EXPENDITURES	4,650	810,690	5,994		6,359	383,313	8,275	271,553
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	18,983	4,967	2,096	1,308	218,970	19,912	(2,701)	55,049
OTHER FINANCING SOURCES (USES)								
Insurance proceeds		171,890						
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	18,983	176,857	2,096	1,308	218,970	19,912	(2,701)	55,049
FUND BALANCES - JANUARY 1	234,082	797,757	13,332	2,463	1,690,762	275,454	26,759	570,264
FUND BALANCES - DECEMBER 31	<u>\$ 253,065</u>	<u>\$ 974,614</u>	<u>\$ 15,428</u>	<u>\$ 3,771</u>	<u>\$ 1,909,732</u>	<u>\$ 295,366</u>	<u>\$ 24,058</u>	<u>\$ 625,313</u>

CITY OF LONOKE, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2023

Schedule 2

	SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS		DEBT SERVICE FUND	TRUST FUND	Totals
	Arkansas Economic Development Commission Grant	Federal Forfeiture	American Rescue Plan Act	Sales and Use Tax Bonds, Series 2018 Project	Escrow Account - Energy Saving Project	Sales and Use Tax Bonds, Series 2018 Debt Service	Firemen's Pension and Relief	
REVENUES								
State aid							\$ 2,980	\$ 2,980
Property taxes							22,879	22,879
Sales taxes						\$ 1,593,999		3,632,725
Fines, forfeitures, and costs	\$ 3,282							35,180
Interest	4	\$ 1,707		\$ 1,727	\$ 359	24,622	14,378	95,656
Local permits and fees								152,481
Advertising and promotion taxes								398,986
Employer/employee contributions								17,958
Net increase/(decrease) in fair value of investments							44,027	44,027
Other								13,565
TOTAL REVENUES	3,286	1,707		1,727	359	1,618,621	84,264	4,416,437
EXPENDITURES								
Current:								
General government			336,742					378,411
Law enforcement								392,055
Public safety							70,362	364,324
Sanitation								23,280
Health								138,412
Recreation and culture			2,164					1,033,768
Advertising and promotion								383,313
Wastewater				46,000				46,000
Total Current			338,906	46,000			70,362	2,759,563
Debt Service:								
Bond principal						950,000		950,000
Bond interest and other charges						680,831		680,831
Financed purchases principal								17,824
Financed purchases interest					813			9,230
TOTAL EXPENDITURES			338,906	46,000	813	1,630,831	70,362	4,417,448
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,286	(337,199)		(44,273)	(454)	(12,210)	13,902	(1,011)
OTHER FINANCING SOURCES (USES)								
Insurance proceeds								171,890
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	3,286	(337,199)		(44,273)	(454)	(12,210)	13,902	170,879
FUND BALANCES - JANUARY 1	\$ 1	5	604,418	46,017	454	557,151	458,469	6,878,407
FUND BALANCES - DECEMBER 31	\$ 1	\$ 3,291	\$ 267,219	\$ 1,744	\$ 0	\$ 544,941	\$ 472,371	\$ 7,049,286

CITY OF LONOKE, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
District Court Cost	Ark. Code Ann. § 16-17-126 authorizes district court fees for writs of garnishment and executions to be appropriated for any permissible use in the administration of the district court.
Criminal Justice	Ark. Code Ann. § 16-10-308 established fund to receive the City's share of uniform court costs and filing fees levied by state law to be used to defray a part of the expenses of the administration of justice in the city.
Fire Sales Tax	Lonoke Ordinance No. 361 (January 7, 1993) designated 10% of the City's one percent sales and use tax to be used for fire department disbursements.
General/Court/Sanitation Sales Tax	Lonoke Ordinance No. 361 (January 7, 1993) designated 10% of the City's one percent sales and use tax to be used for general, district court, and sanitation disbursements.
Mosquito Control Sales Tax	Lonoke Ordinance No. 361 (January 7, 1993) designated 10% of the City's one percent sales and use tax to be used for mosquito control disbursements.
Park Sales Tax	Lonoke Ordinance no. 361 (January 7, 1993) designated 10% of the City's one percent sales and use tax to be used for parks and recreation disbursements.
Police Sales Tax	Lonoke Ordinance no. 361 (January 7, 1993) designated 25% of the City's one percent sales and use tax to be used for police department disbursements.
Retail Economic Development Sales Tax	Lonoke Ordinance no. 361 (January 7, 1993) designated 5% of the City's one percent sales and use tax to be used for retail economic development efforts.
Local Police and Fire Retirement (LOPFI)	Ark. Code Ann. § 24-10-409 requires cities receiving revenues from the state derived from taxes levied on foreign and domestic insurers or any other state funds designated for support of fire and police retirement programs to be applied to the employer contribution to support this system.
Community Center Operating	On April 18, 2000, voters passed a 0.5% sales and use tax for the purpose of operating and maintaining the community center.
District Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive district court installment fees of 1/2 of \$5 per month on each person to be used for court-related technology.

CITY OF LONOKE, ARKANSAS
 NOTES TO SCHEDULES 1 AND 2
 DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Seizure	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency. The revenues shall only be used for law enforcement purposes.
Industrial Development Sales Tax	Lonoke Ordinance no. 361 (January 7, 1993) designated 17.5% of the City's one percent sales and use tax to be used for industrial development efforts.
Advertising and Promotion Tax	Ark. Code Ann. § 26-75-606 established fund to account for the tax levied on gross receipts of hotels, restaurants, etc. The tax shall be used for the advertising and promoting of the city and its environs; construction, maintenance, and operation of a convention center, operation of tourist promotion facilities, and payment of principal and interest in connection with bonds issued. Lonoke Ordinance no. 532 (October 10, 2005) levied a two percent gross receipts tax on hotels, motels, and restaurants to be used for the development, construction, and maintenance of city parks.
Municipal Judge's and Clerk's Retirement	Ark. Code Ann. §§ 24-4-751, 24-8-902 established fund to contribute an amount of money that represents the actuarially determined accrued liability to be paid to the Arkansas Public Employees Retirement System. Excess funds will be retained in this fund for the sole purpose of paying the retirement benefits of district judges and clerks.
Police and Fire Sales Tax	Lonoke Ordinance no. 735 (March 12, 2018) established a Police and Fire Sales Tax Fund to provide financial support for the operation of the City's Police and Fire Departments.
Arkansas Economic Development Commission Grant	Arkansas Economic Development Commission grant for upgrade of internet technology infrastructure to support expansion of manufacturing system for MKE Fastening, LLC.
Federal Forfeiture	Established fund to receive asset forfeitures from the Department of Justice, Drug Enforcement Administration's Little Rock Task Force 2.
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.
Sales and Use Tax Bonds, Series 2018 Project	Lonoke Ordinance no. 735 (March 12, 2018) established a capital projects fund for improvements, betterment and extensions to the waterworks and sewage systems.
Escrow Account - Energy Saving Project	Lonoke Ordinance no. 777 (March 8, 2021) established fund to receive proceeds from the lease purchase agreement for energy savings and allowing the escrow agent to pay cost associated with the project.

CITY OF LONOKE, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2023

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

<u>Fund Name</u>	<u>Fund Description</u>
Sales and Use Tax Bonds, Series 2018 Debt Service	Lonoke Ordinance no. 735 (March 12, 2018) established a debt service fund to maintain principal and interest payment of bonds and a debt service reserve fund equal to one-half of the maximum annual debt service requirements on the bonds.
Firemen's Pension and Relief	Ark. Code Ann. § 24-11-801 established fund to receive property taxes, state aid, and other revenues allowed by law for support of firefighter retirement programs.
Tax Clearing	Established to receive state funds and payroll tax withholdings from other city funds which are then redistributed to the appropriate city fund and payroll entity.
District Court	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.

CITY OF LONOKE, ARKANSAS
OTHER INFORMATION
SCHEDULE OF CAPITAL ASSETS
DECEMBER 31, 2023
(Unaudited)

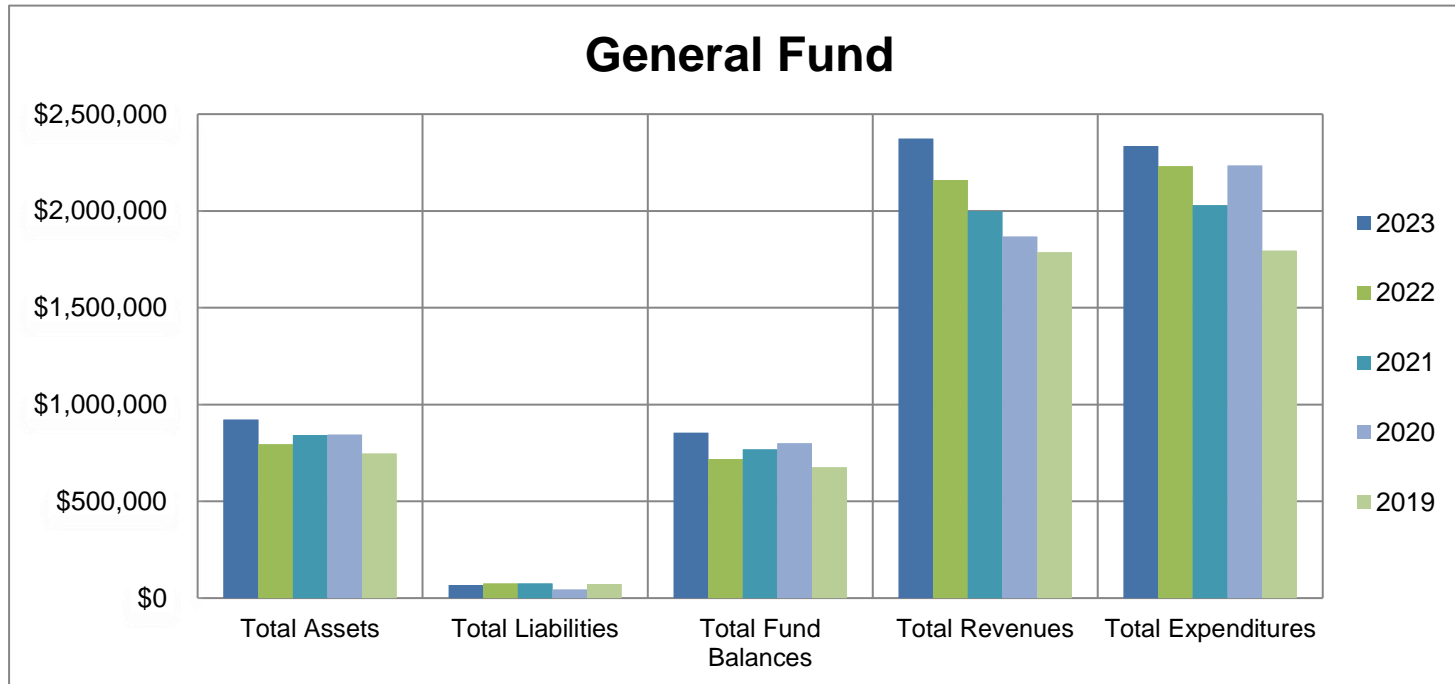
Schedule 3

	<u>December 31, 2023</u>
Land	\$ 1,009,306
Buildings	5,888,402
Equipment	<u>5,066,457</u>
Total	<u><u>\$ 11,964,165</u></u>

CITY OF LONOKE, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2023
 (Unaudited)

Schedule 4-1

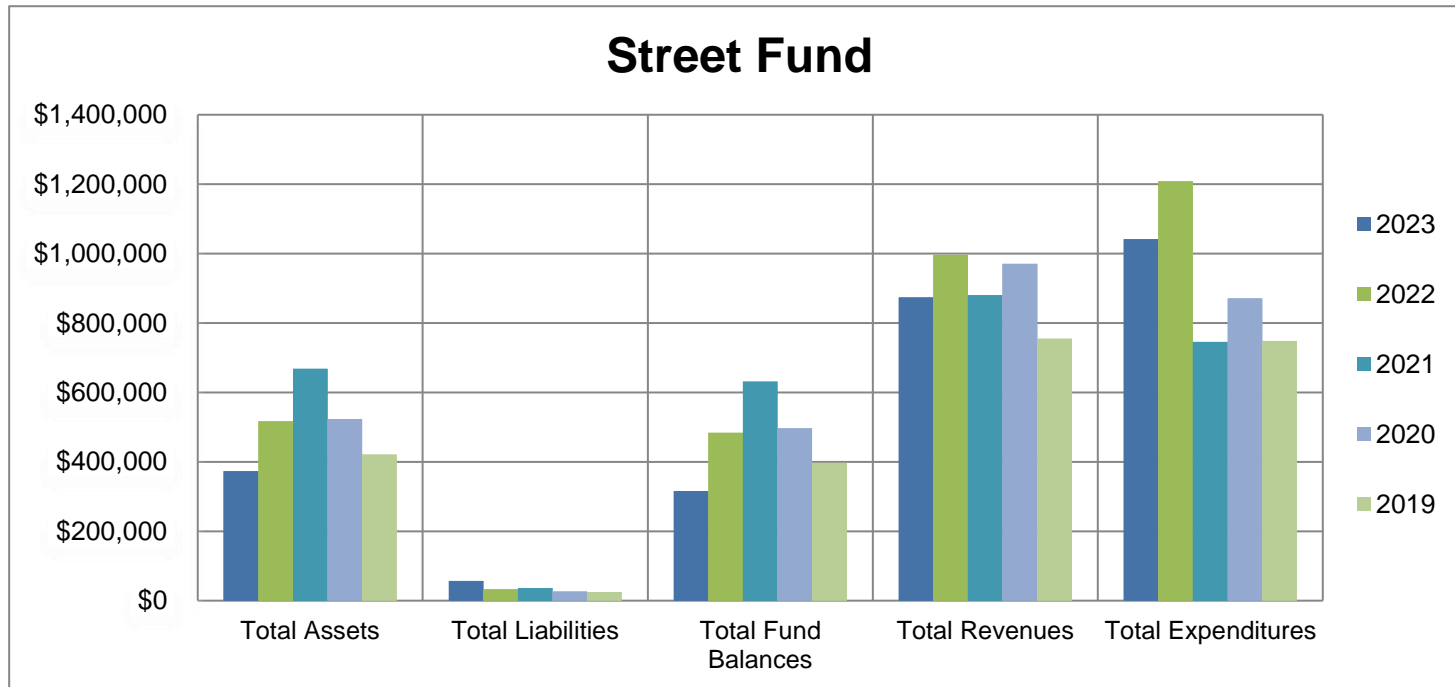
General	2023	2022	2021	2020	2019
Total Assets	\$ 921,089	\$ 794,003	\$ 842,034	\$ 843,652	\$ 746,359
Total Liabilities	66,552	76,064	74,790	44,641	71,346
Total Fund Balances	854,537	717,939	767,244	799,011	675,013
Total Revenues	2,373,459	2,159,916	1,998,209	1,866,433	1,785,911
Total Expenditures	2,335,463	2,231,221	2,029,976	2,234,435	1,795,168
Total Other Financing Sources/Uses	98,602	22,000		492,000	(33,120)



CITY OF LONOKE, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - STREET FUND - REGULATORY BASIS
 DECEMBER 31, 2023
 (Unaudited)

Schedule 4-2

Street	2023	2022	2021	2020	2019
Total Assets	\$ 373,081	\$ 516,659	\$ 667,986	\$ 522,825	\$ 421,377
Total Liabilities	56,822	32,731	36,676	26,251	24,189
Total Fund Balances	316,259	483,928	631,310	496,574	397,188
Total Revenues	873,779	996,270	880,122	970,640	754,935
Total Expenditures	1,041,448	1,207,883	745,386	871,254	748,624
Total Other Financing Sources/Uses		64,231			55,120



CITY OF LONOKE, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS
 DECEMBER 31, 2023
 (Unaudited)

Schedule 4-3

<u>Other Funds in the Aggregate</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Assets	\$ 7,126,222	\$ 7,059,920	\$ 9,966,678	\$ 13,062,569	\$ 17,333,853
Total Liabilities	76,936	181,513	186,804	597,542	687,674
Total Fund Balances	7,049,286	6,878,407	9,779,874	12,465,027	16,646,179
Total Revenues	4,416,437	4,649,899	4,726,461	3,731,883	3,950,404
Total Expenditures	4,417,448	7,551,366	9,554,751	7,913,035	10,436,205
Total Other Financing Sources/Uses	171,890		2,143,137		

