

City of Barling, Arkansas

Financial and Compliance Report

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF BARLING, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2017

Financial and Compliance Report

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Arkansas

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Senate Chair
Sen. Lance Eads
Senate Vice Chair



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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

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

A priority of Arkansas Legislative Audit is to assist local government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of local governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to cash basis financial information and compliance with certain state laws and accepted accounting practices for the City of Barling, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated September 25, 2018. These procedures were not performed for the Waterworks Fund. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2017:

Mayor: Jerry Barling
City Administrator: Mike Tanner
Treasurer: April Melton
City/District Court Clerk: Florene Brown
Police Chief: Darrel Miner (Resigned August 31, 2017)
Roger Hayden (Appointed September 26, 2017)

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

Our procedures indicated that the above offices were in substantial compliance with Arkansas fiscal and financial laws.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local City government, state executive and oversight 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 "Roger A. Norman".

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

Little Rock, Arkansas
September 25, 2018
LOM109917

CITY OF BARLING, ARKANSAS
BALANCE SHEET - REGULATORY BASIS
DECEMBER 31, 2017
(UNAUDITED)

Exhibit A

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
ASSETS			
Cash and cash equivalents	\$ 1,385,802	\$ 476,889	\$ 896,173
Accounts receivable	253,844	31,723	27,802
Interfund receivables			26,123
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 1,639,646</u></u>	<u><u>\$ 508,612</u></u>	<u><u>\$ 950,098</u></u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 65,051	\$ 12,809	\$ 5,917
Interfund payables		26,123	
Settlements pending			18,712
Total Liabilities	<u>65,051</u>	<u>38,932</u>	<u>24,629</u>
 Fund Balances:			
Restricted		416,492	535,373
Committed		53,188	390,096
Assigned	204,457		
Unassigned	1,370,138		
Total Fund Balances	<u>1,574,595</u>	<u>469,680</u>	<u>925,469</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 1,639,646</u></u>	<u><u>\$ 508,612</u></u>	<u><u>\$ 950,098</u></u>

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

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

Exhibit B

	<u>General</u>	<u>Street</u>	<u>Other Funds in the Aggregate</u>
REVENUES			
State aid	\$ 86,301	\$ 319,811	
Federal aid	3,500		
Property taxes	214,927	67,165	
Franchise fees	173,957		
Sales taxes	1,207,366		\$ 307,223
Fines, forfeitures, and costs	133,255		44,372
Interest	2,918	320	759
Local permits and fees	34,249		
Sanitation fees			278,782
Other	<u>63,378</u>	<u>17,105</u>	<u>2,957</u>
 TOTAL REVENUES	 <u>1,919,851</u>	 <u>404,401</u>	 <u>634,093</u>
EXPENDITURES			
Current:			
General government	1,241,980		
Law enforcement	925,207		17,617
Highways and streets		179,383	358,945
Public safety	412,585		
Sanitation			196,874
Recreation and culture	57,444		
Social services	<u>16,000</u>		
 TOTAL EXPENDITURES	 <u>2,653,216</u>	 <u>179,383</u>	 <u>573,436</u>
 EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	 <u>(733,365)</u>	 <u>225,018</u>	 <u>60,657</u>
OTHER FINANCING SOURCES (USES)			
Contribution from water department	<u>24,957</u>	<u>23,157</u>	
 EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>(708,408)</u>	 <u>248,175</u>	 <u>60,657</u>
FUND BALANCES - JANUARY 1	<u>2,283,003</u>	<u>221,505</u>	<u>864,812</u>
FUND BALANCES - DECEMBER 31	<u>\$ 1,574,595</u>	<u>\$ 469,680</u>	<u>\$ 925,469</u>

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

CITY OF BARLING, ARKANSAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL AND STREET FUNDS - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Exhibit C

	General			Street		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 86,301	\$ 86,301		\$ 319,811	\$ 319,811	
Federal aid		3,500	\$ 3,500			
Property taxes	209,677	214,927	5,250	65,524	67,165	\$ 1,641
Franchise fees	174,822	173,957	(865)			
Sales taxes	1,241,261	1,207,366	(33,895)	312,407		(312,407)
Fines, forfeitures, and costs	133,441	133,255	(186)			
Interest	2,918	2,918		320	320	
Local permits and fees	34,249	34,249				
Other	70,432	63,378	(7,054)	72,419	17,105	(55,314)
TOTAL REVENUES	1,953,101	1,919,851	(33,250)	770,481	404,401	(366,080)
EXPENDITURES						
Current:						
General government	1,277,560	1,241,980	35,580			
Law enforcement	921,593	925,207	(3,614)			
Highways and streets				884,262	179,383	704,879
Public safety	413,513	412,585	928			
Recreation and culture	59,995	57,444	2,551			
Social services		16,000	(16,000)			
TOTAL EXPENDITURES	2,672,661	2,653,216	19,445	884,262	179,383	704,879
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(719,560)	(733,365)	(13,805)	(113,781)	225,018	338,799
OTHER FINANCING SOURCES (USES)						
Transfers in	79,150		(79,150)	358,945		(358,945)
Contribution from water department		24,957	24,957		23,157	23,157
TOTAL OTHER FINANCING SOURCES (USES)	79,150	24,957	(54,193)	358,945	23,157	(335,788)
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(640,410)	(708,408)	(67,998)	245,164	248,175	3,011
FUND BALANCES - JANUARY 1	1,963,631	2,283,003	319,372	233,943	221,505	(12,438)
FUND BALANCES - DECEMBER 31	<u>\$ 1,323,221</u>	<u>\$ 1,574,595</u>	<u>\$ 251,374</u>	<u>\$ 479,107</u>	<u>\$ 469,680</u>	<u>\$ (9,427)</u>

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

CITY OF BARLING, ARKANSAS
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	AGENCY FUNDS		Totals
	Sanitation	Court Technology	State Drug Asset Forfeiture	Federal Asset Forfeiture	Jail Fee	Street Improvement	Administration of Justice	Police Court	
ASSETS									
Cash and cash equivalents	\$ 372,001	\$ 16,949	\$ 23,118	\$ 8	\$ 8,971	\$ 456,414	\$ 350	\$ 18,362	\$ 896,173
Accounts receivable	24,012	510		2,380	900				27,802
Interfund receivables						26,123			26,123
TOTAL ASSETS	\$ 396,013	\$ 17,459	\$ 23,118	\$ 2,388	\$ 9,871	\$ 482,537	\$ 350	\$ 18,362	\$ 950,098
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 5,917								\$ 5,917
Settlements pending							\$ 350	\$ 18,362	18,712
Total Liabilities	5,917						350	18,362	24,629
Fund Balances:									
Restricted		\$ 17,459	\$ 23,118	\$ 2,388	\$ 9,871	\$ 482,537			535,373
Committed	390,096								390,096
Total Fund Balances	390,096	17,459	23,118	2,388	9,871	482,537			925,469
TOTAL LIABILITIES AND FUND BALANCES	\$ 396,013	\$ 17,459	\$ 23,118	\$ 2,388	\$ 9,871	\$ 482,537	\$ 350	\$ 18,362	\$ 950,098

CITY OF BARLING, ARKANSAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -
 REGULATORY BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (UNAUDITED)

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	Totals
	Sanitation	Court Technology	State Drug Asset Forfeiture	Federal Asset Forfeiture	Jail Fee	Street Improvement	
REVENUES							
Sales taxes						\$ 307,223	\$ 307,223
Fines, forfeitures, and costs		\$ 5,517	\$ 25,208	\$ 2,380	\$ 11,267		44,372
Interest	\$ 427	21	7		9	295	759
Sanitation fees	278,782						278,782
Other	2,957						2,957
TOTAL REVENUES	282,166	5,538	25,215	2,380	11,276	307,518	634,093
EXPENDITURES							
Current:							
Law enforcement		8,553	2,922		6,142		17,617
Highways and streets						358,945	358,945
Sanitation	196,874						196,874
TOTAL EXPENDITURES	196,874	8,553	2,922		6,142	358,945	573,436
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	85,292	(3,015)	22,293	2,380	5,134	(51,427)	60,657
FUND BALANCES - JANUARY 1	304,804	20,474	825	8	4,737	533,964	864,812
FUND BALANCES - DECEMBER 31	<u>\$ 390,096</u>	<u>\$ 17,459</u>	<u>\$ 23,118</u>	<u>\$ 2,388</u>	<u>\$ 9,871</u>	<u>\$ 482,537</u>	<u>\$ 925,469</u>

CITY OF BARLING, ARKANSAS
NOTES TO SCHEDULES 1 AND 2
DECEMBER 31, 2017
(UNAUDITED)

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

<u>Fund Name</u>	<u>Fund Description</u>
Sanitation	Barling Ordinance No. 129 (May 12, 1981) provided sanitation rates and charges to be determined by City Board of Directors and collected on the monthly water bills to provide for City Sanitation Services.
Court Technology	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.
State Drug Asset Forfeiture	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency. The revenues shall be used for law enforcement purposes.
Federal Asset Forfeiture	Ark. Code Ann. § 5-64-505 established fund to receive asset forfeitures resulting from drug offense cases due to arresting agency. The revenues shall be used for law enforcement purposes.
Jail Fee	Ark. Code Ann. § 16-17-129 and Barling Ordinance No. 386 (February 28, 2012) provided for an additional \$20 from each defendant to be collected by the District Court and deposited into a city fund to be used exclusively to help defray the cost of incarcerating city prisoners.
Street Improvement	Barling Ordinance No. 409 (August 12, 2014) provided for the levy of a one percent (1%) Sales and Use Tax through December 31, 2024, within the City of Barling, Arkansas for immediate improvement of the City's road, street, alleyways, curbs, gutters, drainage, and sidewalks, and for a source of revenue to finance such improvements.
Administration of Justice	Ark. Code Ann. § 16-10-308 established fund to receive the city's share of uniform court costs and filing fees levied by state law to be used to defray a part of the expenses of the administration of justice in the city.
Police Court	Ark. Code Ann. § 16-10-204 established account to receive fines, forfeitures, and costs collected by the district court.

CITY OF BARLING, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017

1. **Summary of Significant Accounting Policies**

A. Basis of Presentation – Regulatory

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

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

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

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

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. The Special Revenue Funds presented on Schedules 1 and 2 are 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. The Capital Projects Fund presented on Schedules 1 and 2 is reported with other funds in the aggregate.

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

CITY OF BARLING, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017

1. Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting - Regulatory

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

C. Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit.

Settlements Pending

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

Fund Balance Classifications

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

D. Property Taxes

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

CITY OF BARLING, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017

1. **Summary of Significant Accounting Policies (Continued)**

E. 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.

F. Fund Balance Classification Policies and Procedures

The Municipality's highest level of decision-making authority is its Board of Directors.. 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 Board of Directors through passage of an ordinance. The Board of Directors 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.

CITY OF BARLING, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017

2. Details of Fund Balance Classifications

Fund balance classifications at December 31, 2017, are composed of the following:

<u>Description</u>	<u>General Fund</u>	<u>Road Fund</u>	<u>Other Funds in the Aggregate</u>
Fund Balances:			
Restricted for:			
Law enforcement			\$ 52,836
Highways and streets		\$ 416,492	
Capital outlay			482,537
Total Restricted		<u>416,492</u>	<u>535,373</u>
Committed for:			
Highways and streets		53,188	
Sanitation			390,096
Total Committed		<u>53,188</u>	<u>390,096</u>
Assigned to:			
Public safety	\$ 191,271		
Recreation and culture	13,186		
Total Assigned	<u>204,457</u>		
Unassigned	<u>1,370,138</u>		
Totals	<u>\$ 1,574,595</u>	<u>\$ 469,680</u>	<u>\$ 925,469</u>

3. Commitments

Total commitments consist of the following at December 31 2017:

	<u>December 31,</u> <u>2017</u>
Construction contract	<u>\$ 172,875</u>

Compensated Absences

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

Post Employment Benefits Other Than Pensions

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

Construction Contract

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

<u>Project Name</u>	<u>Completion Date</u>	<u>Contract Balance</u> <u>December 31, 2017</u>
H. Street Sidewalk and Drainage Project	February 28, 2018	<u>\$ 172,875</u>

CITY OF BARLING, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017

4. Jointly Governed Organization

The Prosecuting Attorneys of the Twelfth Judicial District and the Twenty-First Judicial District, the Sebastian and Crawford County Sheriffs' Departments, and the Police Departments of Fort Smith, Alma, Greenwood, and Barling entered into an agreement to establish the Twelfth Judicial District Drug Task Force. Funding is provided by grants and the Prosecuting Attorney's offices, local Sheriffs' Departments, and the local police departments. The City has not provided any funding to the Twelfth Judicial District Drug Task Force and separate financial statements are not available.

5. Interlocal Agreements – District Court Judge

Sebastian County and the Cities of Greenwood, Barling, and Central City entered into an agreement to provide for a District Judge's annual salary of \$117,300 to be paid 50% by the State and the remaining 50% to be paid 60% by Sebastian County, 20% by Greenwood, 15% by Barling, and 5% by Central City. The Judge will actually be an employee of the State of Arkansas and will hold court in each of the Cities. The Judge will be elected for a four-year term. The City's share of these expenses for 2017 were \$8,572.

**6. 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.

On December 31, 2011, administration of the City of Barling's Firemen's Pension and Relief Fund and the City of Barling's Policemen's Pension and Relief Fund was transferred to LOPFI. The benefit structure of these plans was not changed.

Funding Policy

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

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

The City is required to contribute at an actuarially determined rate. The contribution requirements of plan members are established and may be amended by State law. The contribution requirements of the City are established and may be amended by the LOPFI Board of Trustees. The plan is also funded with state insurance tax. The City's contribution to the plan was \$103,592 and the amount of insurance tax paid by the state to the plan for the benefit of the City was \$64,500 for the year ended December 31, 2017.

Net Pension Liability

The City's proportionate share of the collective net pension liability at December 31, 2017 (actuarial valuation date and measurement date) was \$1,459,745.

CITY OF BARLING, ARKANSAS
OTHER GENERAL INFORMATION
DECEMBER 31, 2017

7. Mayor's Retirement Benefits

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 natural life, payable at the rate of one-half (1/2) of the salary payable to the mayor at the time of their retirement. 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 10 years of service or 2.) upon serving 20 years, regardless of age. During 2017, the City paid \$3,000 to current City Mayor, Jerry Barling, in retirement benefits.

8. City Clerk's Retirement Benefits

Ark. Code Ann. § 24-12-121 establishes retirement benefits for city clerks 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 City Clerk at the time of their retirement. Retirement benefits are to be paid monthly from the City's general fund. A City Clerk may retire: 1.) upon reaching the age of 60 with a minimum of 10 years of service or 2.) upon serving 20 years, regardless of age. During 2017, the City paid \$13,312 to retired City Clerk, Myra Cardwell, in retirement benefits.

9. Capital Assets

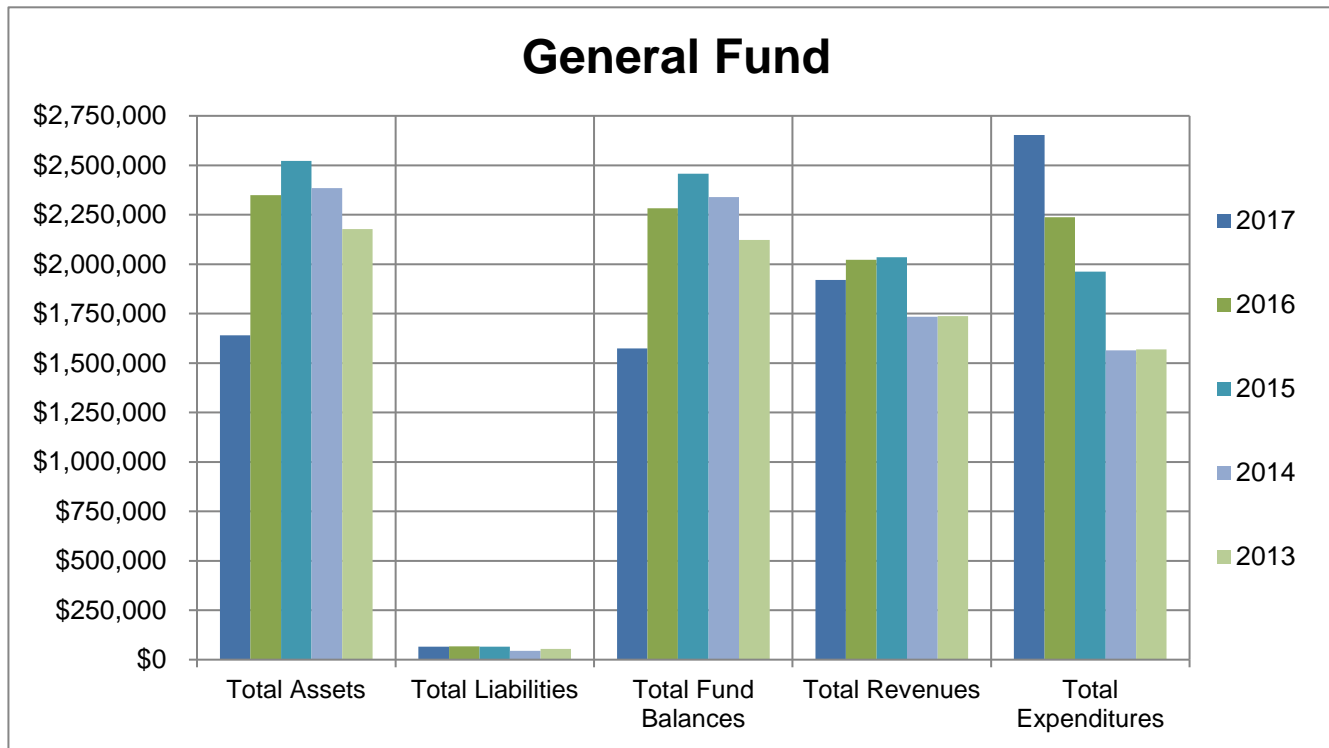
The City's capital assets records are summarized below :

	December 31, 2017
Land	\$ 484,276
Buildings	4,405,198
Equipment	2,299,589
Infrastructure	<u>6,711,114</u>
Total	<u>\$ 13,900,177</u>

CITY OF BARLING, ARKANSAS
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS
 DECEMBER 31, 2017
 (UNAUDITED)

Schedule 3-1

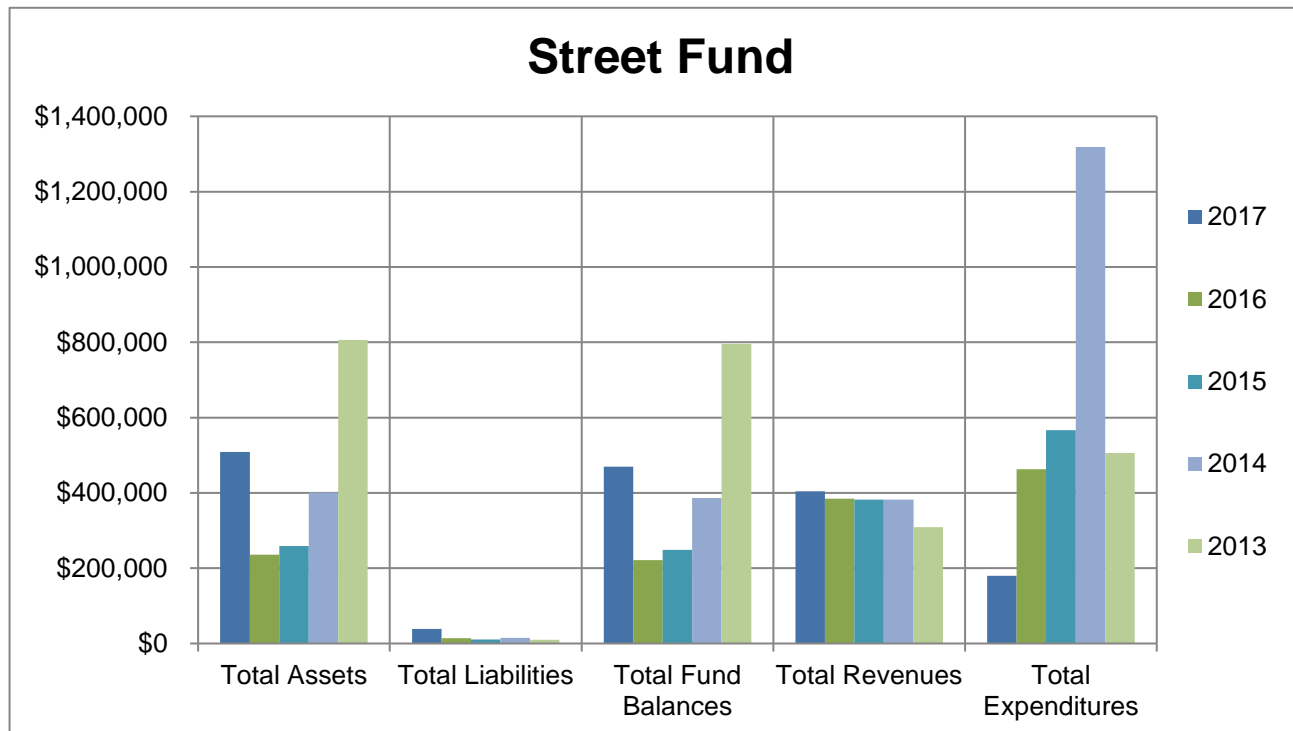
<u>General</u>	2017	2016	2015	2014	2013
Total Assets	\$ 1,639,646	\$ 2,349,739	\$ 2,522,568	\$ 2,383,890	\$ 2,176,741
Total Liabilities	65,051	66,736	64,892	43,962	54,746
Total Fund Balances	1,574,595	2,283,003	2,457,676	2,339,928	2,121,995
Total Revenues	1,919,851	2,022,554	2,034,736	1,734,532	1,737,901
Total Expenditures	2,653,216	2,237,252	1,962,799	1,564,091	1,569,240
Total Other Financing Sources/Uses	24,957	40,025	45,811	47,492	(453,030)



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

Schedule 3-2

<u>Street</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 508,612	\$ 235,647	\$ 259,072	\$ 401,007	\$ 806,456
Total Liabilities	38,932	14,142	10,474	14,728	10,221
Total Fund Balances	469,680	221,505	248,598	386,279	796,235
Total Revenues	404,401	384,794	381,981	382,454	308,771
Total Expenditures	179,383	462,653	566,834	1,318,215	506,165
Total Other Financing Sources/Uses	23,157	50,766	47,172	525,805	653,294



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

Schedule 3-3

<u>Other Funds in the Aggregate</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Assets	\$ 950,098	\$ 894,156	\$ 549,505	\$ 417,254	\$ 453,807
Total Liabilities	24,629	29,344	31,810	41,533	65,294
Total Fund Balances	925,469	864,812	517,695	375,721	388,513
Total Revenues	634,093	642,761	516,735	331,493	307,571
Total Expenditures	573,436	251,149	326,704	300,727	233,951
Total Other Financing Sources/Uses		(44,495)	(48,057)	(43,558)	(30,323)

