

2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT



City of Jacksonville, Arkansas
For Fiscal Year Ended December 31, 2023

The cover picture represents the military history associated with the City of Jacksonville. The cannons are on display for the “Battle of Reed’s Bridge”. The C-130 airplane represents the Little Rock Air Force Base, which is a training facility for C-130s. The Military Museum has various displays that depict historical military events.

Annual Comprehensive Financial Report

**City of Jacksonville,
Arkansas**

Fiscal Year Ended

December 31, 2023

Prepared by:

FINANCE DEPARTMENT

Cheryl Erkel, CGFM
DIRECTOR OF FINANCE



CITY OF JACKSONVILLE, ARKANSAS

YEAR ENDED DECEMBER 31, 2023

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CITY OF JACKSONVILLE, ARKANSAS

YEAR ENDED DECEMBER 31, 2023

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CITY OF JACKSONVILLE, ARKANSAS

YEAR ENDED DECEMBER 31, 2023

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CITY OF JACKSONVILLE, ARKANSAS

YEAR ENDED DECEMBER 31, 2023

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City of Jacksonville, Arkansas

#1 Municipal Drive
Jacksonville, AR 72076



July 31, 2024

Honorable Mayor, Members of the City Council, and Citizens of the City of Jacksonville, Arkansas:

The Annual Comprehensive Financial Report (ACFR) of the City of Jacksonville, Arkansas (the “City”) for the year ended December 31, 2023, is submitted in accordance with State statutes. These statutes require that every general-purpose local government publish at the close of each fiscal year a complete set of audited financial statements.

This report provides a comprehensive overview of the City’s financial position and the results of operations for the past fiscal year. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City’s financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from material misstatement. As Management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Jacksonville’s financial statements have been audited by Forvis Mazars, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Jacksonville for the fiscal year ended December 31, 2023, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles utilized and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Jacksonville’s financial statements for the fiscal year ended December 31, 2023, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Jacksonville was part of a broader, federally mandated “Single Audit” designed to meet the special needs of Federal Grantor Agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal

awards. These reports are included in the City of Jacksonville's Annual Comprehensive Financial Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Jacksonville's MD&A can be found immediately following the report of the independent auditor.

PROFILE OF THE GOVERNMENT

Situated approximately 17 miles north of Little Rock and the Arkansas River, Jacksonville registered as a town on June 29, 1870. The coming of the railroad brought more people and the rural community of about two hundred built homes, raised cotton and established new businesses. The City of Jacksonville was incorporated on September 6, 1941 as a political subdivision of the State of Arkansas. Today Jacksonville occupies a land area of 29 square miles and serves a population of 29,477 according to the 2020 Census.

The City is empowered by state statute to extend its corporate limits by annexation when deemed appropriate by the governing council and to levy a property tax, by a vote of the public, on both real and personal properties located within its boundaries to a limit of 5 mills for general operations. In 1993, the voters approved a permanent one-cent sales and use tax and in return, the City rescinded its 5 mills property tax. In 2003, the voters approved an additional one-cent sales and use tax for capital improvements and operations. In 2019, the Jacksonville City Council voted to reallocate the 1.0 mill property tax levied to pay off the 2006 Library Construction and Improvement Bonds. The tax was reallocated as 0.5 mill for City general operations and 0.5 mil for capital equipment effective for the 2019 assessed taxes collectible in 2020.

The City of Jacksonville operates under the Mayor-Council form of government. The Mayor is elected by the citizens of Jacksonville for a term of four years. The Mayor serves as the chief executive of the City, presides over City Council meetings and has the ability to vote on City Council items in the event of a tie. The City Council is made up of two members from each ward (ten total members) within the City. Each member serves a four year staggered term with four council members elected every two years. The City Council has the ability to enact laws (ordinances) for the health, safety and welfare of the City not in conflict with the United States Constitution or the constitution of the State of Arkansas. The legal level of budgetary control is maintained at the fund level for all funds. However, management control is maintained at the department level.

The City of Jacksonville provides a full range of services including police and fire protection, emergency ambulance service, animal control, library, community development (planning and zoning), construction and maintenance of streets, roads and infrastructure, sanitation and recycling, parks and recreation, district court, and general administrative services. In addition, water and sewer services are provided through legally separate authorities, the Jacksonville Municipal Water Works and the Jacksonville Wastewater Utility. These two entities have been included in the annual comprehensive financial report as discretely presented component units. Another discretely presented component unit is the Jacksonville Advertising and Promotion Commission, which was created for the development, establishment, improvement,

maintenance, and operation of recreational and tourist facilities within the City. Discretely presented component units are legally separate entities and are not part of the primary government's operations.

The City's accounting records for general government activities are maintained on a modified accrual basis, with revenues being recorded when available and measurable, and expenditures being reported when the services or goods are received and the liabilities are incurred. Accounting records for the City's sanitation services, emergency medical services, and the operations of the shooting complex are maintained on an accrual basis.

The annual operating budget serves as the foundation for the City's financial planning and control. Control over spending and allocation of resources are the main focus of the budget. The annual budget process begins in August of each year. Appropriation requests by fund, function, and department are submitted to the Mayor and resources are allocated based on priorities established by the City Council. The Mayor submits a proposed budget to the City Council. The City Council approves and adopts a final budget before January 1. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The Mayor is authorized to transfer budgeted amounts within departments. Any revisions that alter the total expenditures must be approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. These comparisons are part of the required supplementary information located in the financial section.

ECONOMIC CONDITION

The information presented in the financial statements may be understood better when considered from the broader perspective of the specific environment within which the City of Jacksonville operates. The City has bounced back from the various natural disasters during 2023. The City of Jacksonville experienced a tornado in March of 2023 and a damaging wind storm in June of 2023. Therefore, the outcome of 2023 will be a little different than historical performances.

The City of Jacksonville historically benefits from low unemployment rates. However, the impact of the COVID 19 pandemic caused lots of fluctuation. The City's unemployment rate increased from 3.6% in December 2022 to 4.0% in December 2023. Jacksonville is part of the Little Rock-North Little Rock-Conway metropolitan statistical area (MSA), a six-county area of more than 740,602 people. The unemployment rate for the metropolitan area has increased from 2.7% in December 2022 to 3.5% in December 2023.

Jacksonville is home to the Little Rock Air Force Base (LRAFB), which opened in October 1955. The base encompasses 6,100 acres and includes one runway and one assault landing strip. The base has 6,300 active-duty military and civilian members, and roughly 5,500 family members live and work on and around the base with an estimated 211,003 veterans in Arkansas. The impact on the regional economy totaled \$1.38 billion according to their Economic Impact Statement for Fiscal Year 2023. Additionally, the base was the 12th largest employer in the State of Arkansas in fiscal year 2023 with 7,766 jobs on base. LRAFB is a major training facility for the United States Air Force and is the home of C-130 Combat Airlift.

In March 2023, Unity Hospital completed Phase I of their renovations and began servicing the community. They offer an array of acute care services. They operate a 13 bed emergency

department, a 24 bed behavioral unit, an inpatient/observation unit, full imaging services, and inpatient cardiopulmonary. Additional services such as surgical and inpatient care will be offered after Phase II of the renovations are complete. Other principal employers that make their home in Jacksonville include:

- Pathfinders, Inc.
- Jacksonville North Pulaski School District
- Wal-Mart
- Sig Sauer Inc.
- Lomanco, Inc.

To help with the workforce, the Jacksonville North Pulaski School District participates in the Academies of Central Arkansas, which is a joint initiative between the public school districts across Pulaski County and the regional business community. Currently, the Jacksonville High School offers training for HVAC, Welding, Automotive Services, Construction Technology, Architecture Construction, Certified Nursing Assistant, Law, Public Safety & Cyber Security, Culinary, and Education & Teaching. Unity Health has partnered with Jacksonville North Pulaski School District in establishing a Unity Health Academy of Health Sciences beginning with the 2023-2024 school year. For people who want to further their education, the LRAFB University Center has five universities that offer both undergraduate and graduate programs.

The City of Jacksonville has an increasing property tax base which includes appreciation and improvements on property, new subdivisions, new businesses, and annexations. Over the past five years, Jacksonville's levy has increased an average of 4.0% with the 2022 levy collectible in 2023 increasing by 9.1%.

Sales tax revenue is derived from the City's two-cent sales and use tax and the City's portion (8.3%) of the Pulaski County sales and use tax. Our sales tax revenue has been growing at an average rate of 6.5% over the past five years which includes an increase of 4.5 % for 2023. Some of this increase is due to internet sales, which has become more popular since the COVID 19 pandemic began. On average, sales tax revenue supports approximately 70% of the City's General Fund budget.

The City of Jacksonville receives intergovernmental revenues based on population. According to the 2020 U. S. Census, the population for the City increased 4.0% while Pulaski County's population increased 2.2% compared to the 2010 Census data.

LONG-TERM FINANCIAL PLANNING

The City of Jacksonville's long-term Capital Improvement Plan is based on a comprehensive development plan established by citizen input and requests. The Capital Improvement Plan provides for the orderly replacement of capital facilities and equipment, including buildings and other improvements. Funding for these infrastructure improvements comes primarily from county and local sales and use tax revenue with some citizen donations dedicated to specific projects. The Capital Improvement Plan is updated annually to remove completed projects and to add new projects.

In July 2005, the citizens of Jacksonville voted to levy an annual ad valorem tax levy at the rate of one (1.0) mill for the acquisition, construction, and equipping of land and capital improvements

for the City's public library. The ad valorem tax is pledged to a bond issue in the amount of \$2,500,000 used to finance the project. The tax was due to expire upon payment in full of the bonds in May 2020; however, in 2019 the City Council voted to keep the 1.0 millage with 0.5 going to the General Fund and 0.5 going to the Capital Equipment Fund. This tax went into effect in 2020.

In 2015, the City pledged revenues from utility franchise taxes to a bond issue in the amount of \$8,815,000. The bonds were issued for the refunding of short-term financing notes, rehabilitation of the City's Central Fire Station, purchase of a Fire Department ladder truck and two pumper trucks, replacement of playground equipment within the Parks and Recreation Department, rehabilitation of Splash Zone water park, replacement of exercise equipment at the City's Community Center, and the construction of a roundabout at Harris and General Samuels roads. These bonds were refunded by the 2020 Capital Improvement and Refunding Revenue Bonds.

In December 2020, the City pledged revenues from utility franchise taxes to a bond issue in the amount of \$7,935,000. The bonds were issued for the refunding of the 2015 Capital Improvement Bonds, rehabilitation of the City's Court Facility, constructing a new City Mechanic Shop with a wash bay, Public Safety Building repairs, and other betterments and improvements.

In March 2021, The American Rescue Plan Act (ARPA) was signed into law. The goal was to provide needed relief to local governments, among others, to enable them to continue to support the public health response and lay the foundation for a strong and equitable economic recovery. The City was awarded \$5,444,517 in coronavirus state and local fiscal recovery funds under ARPA. City Council has approved thirteen projects. Most of those projects were completed in 2023. The replacement of Fire Station 2 is under construction and the Pump Track will be completed in 2024.

As mentioned earlier, the City was hit with a tornado and a damaging windstorm in 2023. We were very fortunate that no lives were lost. However, our Dupree Park was destroyed. With insurance money and funds from FEMA, we have replaced all of the baseball/softball fields, concession stands, restrooms, pavilions, and playground equipment.

MAJOR INITIATIVES

Jacksonville is continuously looking for ways to improve the city to ensure the safety of its citizens. A major initiative is a rail grade separation on J.P. Wright Loop Road. It has been in the planning stages for 20 years. This project will produce an overpass over the railroad crossing. The City has received a State Grant that will fund 80% of the costs. In 2021, the City purchased properties for easements and right of ways so that utilities could be relocated. The actual physical work began in 2023. This project is due for completion in 2024.

Another major construction project occurring through Jacksonville is the widening of Highway 167 by the Arkansas Department of Transportation. This project includes making access roads one way, replacing the James Street Bridge, and building a new bridge at Gregory Street. This project will improve the drainage system and relieve some of the congested traffic patterns around the highway. Construction is due to be complete in 2027.

The next street project on the horizon, is the straightening of West Main Street. It involves removing an “S” curve and installing a round-a-bout or a traffic signal. In 2022, the plans for the design and construction were started.

ENVIRONMENTAL CONSCIOUSNESS

The City of Jacksonville is striving to educate the public on environmental awareness. Educational materials regarding recycling initiatives are on display at the Ron Newport Recycling Park located in front of the recycling center. The City of Jacksonville currently does not offer curbside service for recycling. However, drop off service is available at the Recycling Center located at 1300 Marshall Road for its residents. They accept paper and cardboard, glass bottles, grocery plastic bags, aluminum and tin cans, and most #1 and #2 plastics Tuesday through Saturday. The Recycling Center also accepts scrap metal, used tires, electronics, and household chemicals on Wednesday and Saturdays.

Jacksonville is also doing its part to help the environment. Jacksonville requires new commercial properties to have a 20’ buffer area that is to be maintained in a natural state with dense undergrowth or have a perimeter planting strip six-foot wide that contains one tree and four shrubs for every forty feet. These properties are also required to have interior planting areas of 100 - 200 feet with one tree for every 15 parking spaces. This increases the oxygen in the atmosphere as well as beautifying the city.

AWARDS AND ACKNOWLEDGEMENTS

Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Jacksonville for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local governmental financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This was the 26th consecutive year that the City of Jacksonville has achieved this prestigious award. We believe that the current annual comprehensive financial report continues to conform to the Certificate of Achievement Program’s requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the annual comprehensive financial report is a team effort by the entire City of Jacksonville’s Finance Department. We would like to express our sincere appreciation to each and every staff member with a big “Thank You” for a job well done. Special thanks go to Assistant Finance Director Laura Collie, Accountant Brandy O’Brien, and Accounts Receivable Clerk Roxie Domangue. Their tenacious attention to detail makes this report an excellent communication tool.

We would like to acknowledge the thorough and professional manner in which Forvis Mazars conducted the annual audit. Their technical proficiencies add measurably to the quality of the entire report.

Finally, we would like to acknowledge the contributions of the Mayor and City Council who have consistently and actively supported the City's goal of excellence in all aspects of financial management. Their interest, encouragement, and support are sincerely appreciated.

Respectfully submitted,

Cheryl Erkel

Cheryl Erkel, CGFM
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Jacksonville
Arkansas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

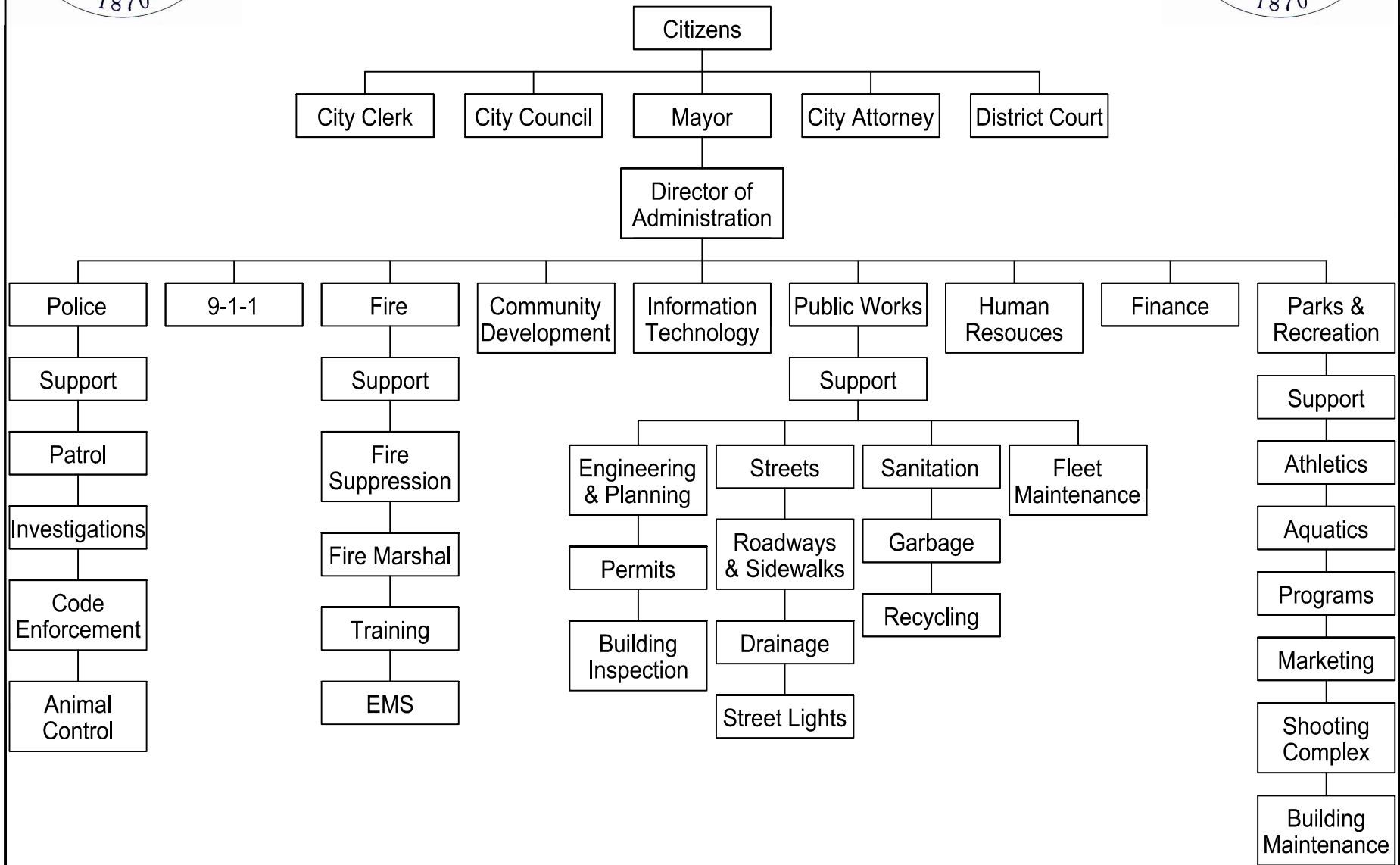
Christopher P. Morill

Executive Director/CEO



City of Jacksonville

Organizational Structure



**City of Jacksonville, Arkansas
List of Elected and Appointed Officials
December 31, 2023**

Elected Officials

Jeff Elmore		Mayor	
Mike Deitz	Ward 1, Position 1	James Bolden III	Ward 1, Position 2
Kevin McCleary	Ward 2, Position 1	Terry Sansing	Ward 2, Position 2
Reedie Ray	Ward 3, Position 1	Barbara Mashburn	Ward 3, Position 2
Richard Moss	Ward 4, Position 1	Mary Twitty	Ward 4, Position 2
Joy Kinman	Ward 5, Position 1	Rose Rains	Ward 5, Position 2
Stephanie Friedman		City Attorney	
Susan Davitt		City Clerk/Treasurer	
Rita Bailey		District Court Judge	

Appointed Officials

Director of Public Works	Adam Whitlow
Community Development Director	Michelle Spencer
Director of Finance	Cheryl Erkel
Fire Chief	Alan Laughy
Parks & Recreation Director	Kevin House
Human Resource Director	Charlette Nelson
Police Chief	Brett Hibbs
Sanitation Superintendent	Johnathan Collins
Street Superintendent	Paul Southerland
Superintendent of Emergency Services	Tabitha Hughes

Independent Auditor's Report

Honorable Jeff Elmore, Mayor
and Members of the City Council
City of Jacksonville, Arkansas
Jacksonville, Arkansas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jacksonville, Arkansas, as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our report and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Jacksonville Municipal Water Works and Jacksonville Wastewater Utility, which represent 99%, 98%, and 95%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units as of December 31, 2023, and the respective changes in financial position, and where applicable, cashflows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the report of the other auditors.

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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Statement

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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statement and schedules and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections, and the schedule of expenditures of state awards but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 July 31, 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 that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Little Rock, Arkansas
July 31, 2024**





Management’s Discussion and Analysis

For the Year Ended December 31, 2023

Office of the Finance Director, Cheryl Erkel, CGFM
#1 Municipal Drive, Jacksonville, AR 72076
Phone: (501) 982-4502 Fax: (501) 985-9768
E-mail: cerkel@cityofjacksonville.net

As management of the City of Jacksonville (the “City”), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2023. The information contained in this MD&A should be considered in conjunction with our letter of transmittal at the front of this report and the information contained in the Independent Auditor’s Reports, Financial Statements and Supplementary Information.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$55,584,933.
- As of the close of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$26,396,581 of which \$8,886,056 was unassigned.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$8,889,749, which is 40% of total general fund expenditures.
- The City had general revenues of \$25,244,932, grants and contribution revenues of \$11,643,596, charges for services of \$6,820,397, and program expenses of \$33,807,173 for the year ended December 31, 2023.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. Figure A demonstrates how required parts of this annual report are arranged and shows how they relate to one another. Figure B summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the type of information they contain. The remainder of this overview section of the management’s discussion and analysis explains each of the statements.

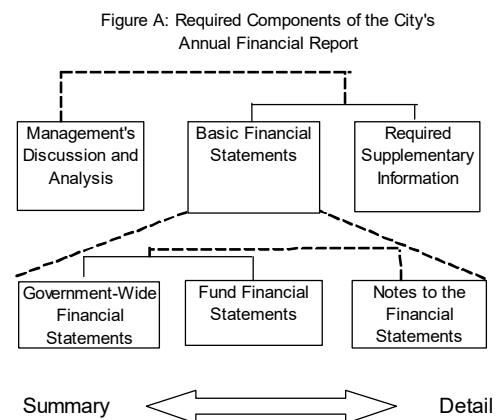


Figure B. Major features of the City's Government-wide and Fund Financial Statements

Types of Statements	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City (except fiduciary funds) including component units	Activities of the City that are not proprietary or fiduciary	Activities the City operates similar to private business.	Instances in which the City acts as fiduciary for someone else's resources
Required Financial Statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures & changes in fund balances	Statement of net position Statement of revenues, expenses & changes in fund net position Statement of cash flows	Statement of fiduciary net position Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, short-term and long term	All assets and liabilities, both short-term and long-term, the Agency's funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses during the year, regardless of when cash is received or paid.	All revenues and expenses during the year, regardless of when cash is received or paid.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities, and deferred inflows of resources, as applicable, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, parks and recreation, and community development. The business-type activities of the City include sanitation services and emergency medical services.

The government-wide financial statements include not only the City itself (known as the primary government), but also the financial statements of the following discretely presented component units:

- Jacksonville Municipal Water Works
- Jacksonville Wastewater Utility
- Jacksonville Advertising and Promotion Commission

Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. Complete financial statements for these component units may be obtained by contacting the administrative offices listed on page 46 of this report.

The government-wide financial statements can be found on pages 26 through 29 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains ten individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the Street Fund, and Special Projects Fund, which are considered to be major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combined statements in the combining and individual fund statements and schedules section of this report.

The basic governmental fund financial statements can be found on pages 30 through 32 of this report.

Proprietary Funds - Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The City maintains a single proprietary fund type, an enterprise fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for sanitation services activities, shooting sports activities, and for emergency medical (ambulance) services provided by the City. The proprietary fund financial statements provide

information for the Sanitation Services Enterprise Fund, the Shooting Sports Complex Fund, and the Emergency Medical Services Enterprise Fund, which are major funds for the City.

Proprietary funds in general, charge customers for services provided. Like the government-wide financial statements, proprietary fund financial statements are presented using a long-term financial accounting approach and the full accrual basis of accounting. Additional information is provided in the proprietary funds' statement of cash flows.

The basic proprietary fund financial statements can be found on pages 34 through 36 of this report.

Fiduciary Funds - *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 38 through 39 of this report.

Notes to the Basic Financial Statements - The notes to the basic financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 45 through 80 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits (OPEB) to its employees. Required supplementary information can be found beginning on page 82 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 98 through 99 of this report.

Government-wide Financial Analysis

The City is presenting current and prior year comparative information in the Management's Discussion and Analysis to provide a means of analyzing its financial condition and position as of December 31, 2023. The following table reflects the condensed Statement of Net Position.

City of Jacksonville						
Net Position						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current assets	\$ 29,490,327	\$ 28,144,896	\$ 1,953,461	\$ 3,371,269	\$ 31,443,789	\$ 31,516,165
Noncurrent assets	299,755	529,244	-	-	299,755	529,244
Capital assets	50,050,421	39,733,205	5,306,306	5,084,462	55,356,727	44,817,667
Other assets	-	-	-	-	-	-
Total assets	79,840,503	68,407,345	7,259,767	8,455,731	87,100,271	76,863,076
Total deferred outflows of resources	6,148,281	8,442,319	732,798	696,778	6,881,079	9,139,097
Total Assets and Deferred Outflows	85,988,781	76,849,664	7,992,565	9,152,509	93,981,345	86,002,172
Current Liabilities	2,855,476	2,596,949	269,802	469,966	3,125,278	3,066,915
Long-term liabilities	29,899,886	31,885,511	2,655,163	2,167,447	32,555,049	34,052,958
Total liabilities	32,755,362	34,482,460	2,924,965	2,637,413	35,680,327	37,119,873
Total deferred inflows of resources	2,568,870	3,043,187	147,215	155,931	2,716,085	3,199,118
Total Liabilities and Deferred Inflows	35,324,232	37,525,647	3,072,180	2,793,344	38,396,412	40,318,991
Net Position:						
Net investment in capital assets	43,005,653	32,565,198	5,306,306	5,084,462	48,311,959	37,649,660
Restricted	6,868,854	7,534,266	-	-	6,868,854	7,534,266
Unrestricted (Deficit)	790,042	(775,448)	(385,922)	1,274,703	404,120	499,255
Total Net Position	\$ 50,664,549	\$ 39,324,016	\$ 4,920,384	\$ 6,359,165	\$ 55,584,933	\$ 45,683,181

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$55,584,933 at the close of the most recent fiscal year.

The largest portion of the City's net position, 87%, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, infrastructure, and improvements other than buildings), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position, 15%, represents resources that are subject to restrictions as to how they may be used. The remaining unrestricted net position of \$404,120 represents 1% of the City's net position.

The following table provides a summary of the City's operations for the fiscal year ended December 31, 2023, with unadjusted comparative totals for the fiscal year ended December 31, 2022.

City of Jacksonville						
Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
<i>Program revenues:</i>						
Charges for services	\$ 2,242,541	\$ 2,021,805	\$ 4,566,834	\$ 4,608,733	\$ 6,809,375	\$ 6,630,538
Operating grants and contributions	2,190,718	4,881,168	19,959	23,715	2,210,677	4,904,883
Capital grants and contributions	9,432,919	3,932,073	-	-	9,432,919	3,932,073
<i>General revenues:</i>						
Property taxes	1,112,013	1,063,014	-	-	1,112,013	1,063,014
Sales taxes	19,936,994	19,085,733	-	-	19,936,994	19,085,733
Franchise taxes	1,252,252	1,274,208	-	-	1,252,252	1,274,208
Investment income	1,030,248	327,990	39,145	22,200	1,069,393	350,190
Intergovernmental revenues	420,579	410,313	-	-	420,579	410,313
Gain/(loss) on sales of capital assets	1,449,183	(108,546)	4,518	-	1,453,701	(108,546)
Total revenues	39,067,447	32,887,758	4,630,456	4,654,648	43,697,903	37,542,406
Expenses						
General government	4,829,726	4,398,448	-	-	4,829,726	4,398,448
Public works	3,134,758	3,780,051	-	-	3,134,758	3,780,051
Parks and recreation services	3,158,197	3,686,218	-	-	3,158,197	3,686,218
Public safety	15,432,034	15,365,000	-	-	15,432,034	15,365,000
Housing and neighborhood programs	266,214	568,209	-	-	266,214	568,209
Interest on long-term debt	155,984	164,882	-	-	155,984	164,882
Sanitation services	-	-	2,828,867	1,846,007	2,828,867	1,846,007
AGFF Shooting Sports Complex	-	-	693,531	573,137	693,531	573,137
Emergency medical services	-	-	3,296,840	2,610,331	3,296,840	2,610,331
Total expenses	26,976,913	27,962,808	6,819,238	5,029,475	33,796,151	32,992,283
Change in net position before transfers	12,090,534	4,924,950	(2,188,782)	(374,827)	9,901,752	4,550,123
Transfers	(750,000)	(400,000)	750,000	400,000	-	-
Change in net position	11,340,534	4,524,947	(1,438,782)	25,173	9,901,752	4,550,123
Net Position, Beginning of Year, as previously reported	39,324,016	34,799,070	6,359,165	6,333,993	45,683,181	41,133,062
Net Position - End of Year	\$ 50,664,550	\$ 39,324,016	\$ 4,920,384	\$ 6,359,165	\$ 55,584,933	\$ 45,683,185

Governmental Activities - Governmental activities increased the City's net position in the current year by \$11,340,534. An increase in total assets of \$11,433,158 along with a decrease in total liabilities of \$1,727,098 increased net position by \$13,160,256. The decrease in deferred outflows of \$2,294,038 along with a decrease in deferred inflows of resources of \$474,317, decreased net position by \$1,819,722. The majority of the change in net position was the reduction of deferred inflows of resources related to pensions and increases in current assets and deferred outflows of resources related to pensions.

Sales taxes represent 51% or \$19,936,994 of the City's governmental revenue in 2023. Sales tax revenues increased 4% from \$19,085,733 in 2022. Part of this growth is attributed to Act 822 – *To reform the Tax Laws Concerning the Levy and Collection of Sales and Use Tax, the Apportionment and allocation of Income for Tax Purposes, Corporate Income Tax Rates, and Net Operating Losses; and to Declare an Emergency*, enacted during the 2019 regular session of the Arkansas General Assembly, and effective beginning July 2019. The provisions of Act 822 were consistent with the favorable Supreme Court ruling on *South Dakota v. Wayfair, Inc.* in which the court held that states may charge tax on purchases made from out-of-state sellers, even if the seller does not have a physical presence in the taxing state. Grants and contributions added \$11,623,637 or 30% to total revenues as compared to \$8,813,241 received in 2022. The increase was mainly a result from the additional funding that we received through the American Recovery Plan. Charges for services increased \$220,736 to \$2,242,541 or 6% of total revenues compared to \$2,021,805 received in 2022. The increase was primarily attributable to the increase of revenues received from programs offered through Parks and Recreation.

Current year expenses were 92% of current year revenues, excluding transfers in.

Business-type Activities - Business-type activities decreased the City's net position by \$1,438,782. Key elements of this decrease are as follows:

- Net transfers increased net position by \$750,000. Operating losses of \$2,188,782 decreased net position.
- Sanitation Services activities contribute 42% of the operating revenue to the business-type activities. Sanitation service fees are billed through Jacksonville Municipal Water Works (a component unit of the City), net of a billing fee. Operating revenues were \$1,951,757 in 2023 compared to \$1,946,651 in 2022. Operating expenses in 2023 were \$2,839,889 compared to \$1,846,007 in 2022. Revenues decreased due to families being displaced after a tornado. Expenses increased due to additional debris and cleanup efforts after the tornado produced increased disposal costs and landfill fees.
- AGFF Shooting Sports Complex activities contributed 8% of the operating revenue to the business-type activities. The charges for services are the fees charged to the patrons of the sports complex. In 2023, those fees were \$350,207 compared to \$346,400 in 2022. The increase in revenues was due mainly to an increase in pro shop sales. Operating expenses in 2023 were \$693,531 compared to \$573,137 in 2022. The increase was due to increase in cost of goods sold and personnel expenses.
- Emergency Medical Services activities contributed 50% of the operating revenue to the business-type activities. Ambulance service fees are billed through the City's fire department. Charges for services were \$2,275,892 in 2023 compared to \$2,315,682 in 2022. Operating expenses in 2023 were \$3,296,840 compared to \$2,610,331 in 2022. Revenues decreased as a result of decreased ambulance run volume. Expenses increased as a result of increase in personnel costs and vehicle repairs.

Current year operating expenses for business-type activities were 149% of current year operating revenues.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental Funds - The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2023 the City's governmental funds reported combined ending fund balances of \$26,396,581, an increase of \$857,729 in comparison with the prior year. The *restricted fund balance* for capital projects or debt service is \$6,868,854. In addition, \$22,040 of the governmental fund balance is *nonspendable*, representing inventories and prepaid expenditures. The *committed*

portions of the fund balances were \$10,044,411. The *unassigned fund balance* is \$8,886,056 and is available for spending at the government’s discretion.

The General Fund is the chief operating fund for the City. As of December 31, 2023, the total fund balance of the General Fund was \$8,922,682 of which \$8,889,749 was unassigned. As a measure of the General Fund’s liquidity, it may be useful to compare both the unassigned fund balances and total fund balance to total fund expenditures (including transfers out). Unassigned fund balance represents 40% of total General Fund expenditures while total fund balances represents 40% of the same amount. The fund balances of the General Fund decreased by \$222,376 during 2023. The key factors in this decrease were additional funding from the American Recovery Plan occurred in 2022 and expenses increased due to damages incurred by a tornado.

The Street Fund had a total fund balance of \$5,107,473, which was a decrease of \$1,127,591 from 2022. The total amount of the fund balance is classified as restricted. The decrease was attributable to additional construction projects throughout the city.

The Special Projects Funds had a total fund balance of \$11,577,904, which was an increase of \$2,416,714 from 2022. The fund balance has \$969,166 classified as restricted, \$10,033,517 as committed and \$575,221 as assigned. The increase in fund balance was due mainly from additional funding received from the American Recovery Plan in the General Fund allowed for funds to be set aside for additional capital improvements. These additional funds are expected to be spent within the next year. The ending fund balances and net changes for the individual funds reported in the financial statements as the Special Projects Funds were:

<u>Fund</u>	<u>Ending Balance</u>	<u>Net Change</u>
Capital Improvements	\$ 6,451,450	\$ 1,391,366
Capital Drainage	568,496	21,871
Capital Equipment	4,551,234	1,011,543
Downtown Revitalization	6,724	(8,066)

The City maintains eight non-major governmental funds in addition to the above mentioned major funds. These funds had a total fund balance of \$788,522. The net decrease in fund balances during 2023 for these funds was \$209,018. The ending fund balances and net changes for the non-major funds were:

<u>Fund</u>	<u>Ending Balance</u>	<u>Net Change</u>
Grants	\$ 63,164	\$ (10,038)
CDBG	(3,693)	1,190
HOME	48,048	(1,893)
Disaster Relief	3,704	3,704
Asset Forfeiture	51,745	30,689
2020 Capital Improvement Construction	127,841	(260,464)
2006 Library Debt Service	55	19
2020 Capital Improvement Debt Service	497,658	27,775

Proprietary Funds - The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but with more detail.

Net position for the Sanitation Services Enterprise Fund was \$2,112,097 in 2023, which was a decrease of \$846,545 compared to \$2,958,641 as reported in 2022. This decrease was largely due to the cost of clean up after a tornado. Other factors concerning the finances of this fund have already been addressed in the discussion of the City’s business-type activities.

Net position for the AGFF Shooting Sports Complex Fund in 2023 was \$2,656,315, which was a decrease of \$143,324 compared to \$2,799,639 as reported in 2022. This decrease was mainly to an increase in personnel costs. Other factors concerning the finances of this fund have already been addressed in the discussion of the City’s business-type activities.

Net position for the Emergency Medical Services Enterprise Fund in 2023 was \$151,971, which was a decrease of \$448,913 compared to a net position of \$600,886 reported in 2022. This decrease was due to an increase in personnel costs. Other factors concerning the finances of this fund have already been addressed in the discussion of the City’s business-type activities.

General Fund Budgetary Highlights

The 2023 General Fund budget appropriated \$26,505,100 as compared to the 2022 budget of \$28,255,169, a decrease of approximately 6%.

Capital Assets and Debt Administration

Capital Assets. The City’s investment in capital assets for governmental and business-type activities as of December 31, 2023, amounts to \$55,356,727 (net of accumulated depreciation). The investment in capital assets includes land, buildings and building improvements, improvements other than buildings, equipment, infrastructure, and construction in progress. The total increase in the City’s investment in capital assets for the current fiscal year was \$10,539,053 net of depreciation, an increase of 24%. Governmental capital assets increased 26%, while capital assets for business-type activities increased 4%.

City of Jacksonville						
Capital Assets, net of depreciation						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 10,333,488	\$ 10,333,488	\$ 480,385	\$ 480,385	\$10,813,873	\$ 10,813,873
Land improvements	3,036,958	498,800	81,816	91,559	3,118,774	590,359
Infrastructure	7,243,719	7,769,790	-	-	7,243,719	7,769,790
Buildings	14,872,288	15,244,070	2,147,052	2,218,423	17,019,340	17,462,493
Vehicles	1,866,636	2,132,222	2,265,483	1,801,104	4,132,119	3,933,326
Equipment	1,419,126	1,543,246	331,572	492,997	1,750,698	2,036,242
Construction in progress	11,278,208	2,211,591	-	-	11,278,208	2,211,591
Total	\$ 50,050,420	\$ 39,733,205	\$ 5,306,306	\$ 5,084,462	\$55,356,727	\$ 44,817,674

Additional information on the City’s capital assets can be found in *Note 3* of this report.

Long-term Liabilities. On December 31, 2023, the City’s primary government had long-term liabilities outstanding of \$8,189,071, including obligations of \$7,172,609 of bonds secured solely by specified revenue source.

Total long-term bonds and obligations under a direct financing agreement decreased \$375,059 a decrease of 5%. The decrease was attributable to debt retirements during 2023.

The City is within all of its legal debt limitations. Under the Arkansas Constitution, the City is allowed to issue, with voter approval, general obligation debt up to 20% of total assessed valuation. Outstanding revenue bonds on December 31, 2023, of \$7,172,609 are well below the statutory limit of \$76,226,402. The City is allowed to issue short-term financings (maturities of less than five years) up to 5% of total assessed valuation. Outstanding short-term financings, including direct financing obligations at December 31, 2023, of \$0 are well below the statutory limit of \$19,056,600. Voter approval is not required for short-term financing.

Additional information regarding the City's long-term liabilities can be found in *Note 4* on pages 57-58 of this report.

Economic Factors and Next Year's Budgets and Rates

The Arkansas 92nd General Assembly established Act 660 on April 2, 2019. Act 660 put in place guidelines to consolidate Public Safety Answering Points (PSAP). The Arkansas 911 Board voted in August 2021 to consolidate 114 PSAPs down to 79. At that time, Pulaski County had 6 PSAPs which was reduced down to 3. January 1, 2023 was the deadline to submit consolidation plans. Pulaski County will be consolidating with Jacksonville at the Jacksonville location. The deadline for the consolidation completion is January 1, 2025. The consolidation process will begin in 2024. Renovation to the current location will be done to accommodate the additional staffing. Addition staffing should begin in July 2024. The consolidation costs will be shared between Pulaski County and the City of Jacksonville.

The City's elected and appointed officials have an established practice of making annual budgetary decisions for the General and Street Funds by considering revenue growth, staffing needs, unassigned reserve levels as well as reviewing the performance of the local economy to determine continued economic expansion.

The goal of the Mayor and City Council is to maintain financial stability by adopting budgets with a minimum unassigned fund balance of 16.6% of operating expenditures. With this in mind, the 2024 budgets were adopted for the General Fund at \$26,923,602 and \$6,644,189 for the Street Fund.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Director's Office, #1 Municipal Drive, Jacksonville, Arkansas 72076.

General information relating to the City of Jacksonville, Arkansas can be found on the City's website, <http://www.cityofjacksonville.net>.

BASIC FINANCIAL STATEMENTS

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF NET POSITION DECEMBER 31, 2023

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets and Deferred Outflows of Resources				
Current Assets				
Cash and cash equivalents	\$ 14,559,298	\$ 491,629	\$ 15,050,927	\$ 8,613,064
Restricted cash and investments, current	360,000	-	360,000	1,265,954
Investments	7,743,368	257,171	8,000,539	1,230,457
Receivables, net of allowance for uncollectible accounts				
Taxes	1,927,106	-	1,927,106	-
Sales taxes	3,452,408	-	3,452,408	-
Accounts	81,643	1,163,835	1,245,478	3,275,861
Accrued interest	29,702	954	30,656	2,484
Grants and other governments	1,062,734	-	1,062,734	-
Other	252,028	-	252,028	-
Inventories	22,040	39,872	61,912	923,015
Prepaid expenses and other	-	-	-	90,578
Total current assets	29,490,327	1,953,461	31,443,788	15,401,413
Noncurrent Assets				
Restricted assets				
Cash and cash equivalents	659,755	-	659,755	1,198,415
Less amount required to meet current obligations	(360,000)	-	(360,000)	-
Total restricted assets	299,755	-	299,755	1,198,415
Capital assets				
Nondepreciable	21,611,696	480,385	22,092,081	31,817,799
Depreciable, net	28,438,725	4,825,921	33,264,646	73,121,041
Total capital assets	50,050,421	5,306,306	55,356,727	104,938,840
Other assets				
Other	-	-	-	417,937
Total other assets	-	-	-	417,937
Total noncurrent assets	50,350,176	5,306,306	55,656,482	106,555,192
Total assets	79,840,503	7,259,767	87,100,270	121,956,605
Deferred Outflows of Resources				
Deferred outflows - pensions	5,942,474	732,798	6,675,272	1,133,777
Deferred outflows - OPEB	205,807	-	205,807	-
Bond refunding	-	-	-	155,006
Total deferred outflows of resources	6,148,281	732,798	6,881,079	1,288,783
Total Assets and Deferred Outflows of Resources	\$ 85,988,781	\$ 7,992,565	\$ 93,981,345	\$ 123,245,389

See Accompanying Notes to Basic Financial Statements.

	Primary Government			Component Units
	Governmental	Business-type	Total	
	Activities	Activities		
Liabilities, Deferred Inflows of Resources, and Net Position				
Current Liabilities				
Accounts payable	\$ 936,808	\$ 98,980	\$ 1,035,788	\$ 2,412,807
Accrued wages payable and related liabilities	643,864	54,452	698,316	-
Accrued expenses and other	139,145	-	139,145	249,167
Accrued interest payable	-	-	-	42,936
Compensated absences, current	671,795	115,710	787,505	-
Bonds payable, current	360,000	-	360,000	4,392,025
Due to fiduciary funds	71,048	-	71,048	-
Unearned revenue	32,816	660	33,476	-
Total current liabilities	<u>2,855,476</u>	<u>269,802</u>	<u>3,125,278</u>	<u>7,096,935</u>
Noncurrent Liabilities				
Bonds payable, net of unamortized premium and discount	6,812,609	-	6,812,609	29,293,308
Customer deposits	-	-	-	895,361
Compensated absences	344,668	-	344,668	-
Net pension liability	21,453,638	2,655,163	24,108,801	3,866,438
Net OPEB liability	1,288,971	-	1,288,971	-
Other long-term liabilities	-	-	-	905,841
Total noncurrent liabilities	<u>29,899,886</u>	<u>2,655,163</u>	<u>32,555,049</u>	<u>34,960,948</u>
Total liabilities	32,755,362	2,924,965	35,680,327	42,057,883
Deferred Inflows of Resources				
Deferred inflows - pensions	1,672,960	147,215	1,820,175	151,410
Deferred inflows - OPEB	895,910	-	895,910	-
Total deferred inflows of resources	<u>2,568,870</u>	<u>147,215</u>	<u>2,716,085</u>	<u>151,410</u>
Net Position				
Net investment in capital assets	43,005,653	5,306,306	48,311,960	70,718,429
Restricted - expendable				
Street maintenance	5,107,473	-	5,107,473	-
Capital projects	969,166	-	969,166	-
Debt service	625,554	-	625,554	2,464,369
Law enforcement activities	51,745	-	51,745	-
Housing and neighborhood programs	51,752	-	51,752	-
Grant funds	63,164	-	63,164	-
Total restricted - expendable	<u>6,868,854</u>	<u>-</u>	<u>6,868,854</u>	<u>2,464,369</u>
Unrestricted (deficit)	<u>790,042</u>	<u>(385,922)</u>	<u>404,120</u>	<u>7,853,298</u>
Total net position	<u>50,664,549</u>	<u>4,920,384</u>	<u>55,584,933</u>	<u>81,036,096</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 85,988,781</u>	<u>\$ 7,992,565</u>	<u>\$ 93,981,345</u>	<u>\$ 123,245,389</u>

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General administration	\$ 1,431,722	\$ 575,734	\$ 39,949	\$ -
City council	107,058	-	-	-
Office of the mayor	327,781	-	-	-
City clerk	182,255	-	-	-
City attorney	326,922	-	-	-
District court	441,384	260,013	-	-
Director of administration	4,425	-	-	-
Information technology	630,080	-	-	-
Finance	591,220	18,000	-	-
Human resources	277,197	-	-	-
Fleet services	312,690	31,697	-	-
Community programs	196,992	-	21,100	45,485
Public works	3,134,758	64,129	-	9,387,434
Parks and recreation services	3,158,197	832,607	551,838	-
Police	7,781,131	95,904	704,531	-
Fire	5,800,082	-	632,640	-
Emergency communication services	1,236,014	363,176	-	-
Animal control	614,807	1,279	69,196	-
Housing and neighborhood programs	266,214	1	171,464	-
Interest expense on long-term debt	155,984	-	-	-
Total governmental activities	26,976,913	2,242,541	2,190,718	9,432,919
Business-type Activities				
Sanitation services	2,839,889	1,951,757	-	-
AGFF Shooting Sports Complex	693,531	350,207	-	-
Emergency Medical services	3,296,840	2,275,892	19,959	-
Total business-type activities	6,830,260	4,577,856	19,959	-
Total primary government	\$ 33,807,173	\$ 6,820,397	\$ 2,210,677	\$ 9,432,919
Component Units				
Municipal Water Works	\$ 10,145,105	\$ 8,914,242	\$ -	\$ 47,283
Wastewater Utility	6,087,675	4,848,296	-	4,665,895
Advertising and Promotion Commission	988,836	-	-	-
Total component units	\$ 17,221,616	\$ 13,762,538	\$ -	\$ 4,713,178

General revenues
 Property taxes
 Sales taxes
 Utility franchise taxes
 Investment income
 Grants and contributions not restricted to specific programs
 Gain on sale of capital assets
 Other
 Transfers

 Total general revenues and transfers

 Change in Net Position

 Net Position, Beginning of Year

 Net Position, End of Year

See Accompanying Notes to Basic Financial Statements.

**Net (Expense) Revenue and
Changes in Net Position**

Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (816,038)	\$ -	\$ (816,038)	\$ -
(107,058)	-	(107,058)	-
(327,781)	-	(327,781)	-
(182,255)	-	(182,255)	-
(326,922)	-	(326,922)	-
(181,371)	-	(181,371)	-
(4,425)	-	(4,425)	-
(630,080)	-	(630,080)	-
(573,220)	-	(573,220)	-
(277,197)	-	(277,197)	-
(280,992)	-	(280,992)	-
(130,407)	-	(130,407)	-
6,316,805	-	6,316,805	-
(1,773,752)	-	(1,773,752)	-
(6,980,696)	-	(6,980,696)	-
(5,167,442)	-	(5,167,442)	-
(872,838)	-	(872,838)	-
(544,332)	-	(544,332)	-
(94,748)	-	(94,748)	-
(155,984)	-	(155,984)	-
(13,110,735)	-	(13,110,735)	-
-	(888,132)	(888,132)	-
-	(343,324)	(343,324)	-
-	(1,000,989)	(1,000,989)	-
-	(2,232,445)	(2,232,445)	-
\$ (13,110,735)	\$ (2,232,445)	\$ (15,343,180)	\$ -
\$ -	\$ -	\$ -	\$ (1,183,580)
-	-	-	3,426,516
-	-	-	(988,836)
-	-	-	1,254,100
1,112,013	-	1,112,013	-
19,936,994	-	19,936,994	1,103,756
1,252,252	-	1,252,252	-
1,030,248	39,145	1,069,393	476,284
420,579	-	420,579	-
1,449,183	4,518	1,453,701	-
-	-	-	4,672,547
(750,000)	750,000	-	-
24,451,269	793,663	25,244,932	6,252,587
11,340,534	(1,438,782)	9,901,752	7,506,687
39,324,016	6,359,165	45,683,181	73,529,408
\$ 50,664,549	\$ 4,920,384	\$ 55,584,933	\$ 81,036,096

CITY OF JACKSONVILLE, ARKANSAS

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2023

	General	Street	Special Projects	Total Nonmajor Funds	Total
Assets					
Cash	\$ 4,302,707	\$ 2,123,470	\$ 7,948,151	\$ 184,970	\$ 14,559,298
Restricted cash	-	-	-	659,755	659,755
Investments	1,500,000	2,587,354	3,656,014	-	7,743,368
Accounts receivable					
Taxes	1,205,055	545,606	176,391	55	1,927,106
Sales taxes	3,452,408	-	-	-	3,452,408
Accounts	-	-	17,710	63,933	81,643
Accrued interest	6,199	9,735	13,768	-	29,702
Grants and other governments	2,940	1,059,794	-	-	1,062,734
Other	251,894	135	-	-	252,029
Due from other funds	134,920	-	-	26,133	161,052
Inventories	22,040	-	-	-	22,040
Total Assets	\$ 10,878,163	\$ 6,326,094	\$ 11,812,034	\$ 934,847	\$ 29,951,136
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 272,804	\$ 606,516	\$ 56,573	\$ 915	\$ 936,808
Due to other funds	16,323	-	1,166	143,564	161,053
Due to fiduciary funds	71,048	-	-	-	71,048
Accrued wages payable and related liabilities	628,112	14,250	-	1,502	643,864
Other liabilities	52,427	86,375	-	343	139,145
Total liabilities	1,040,714	707,141	57,739	146,324	1,951,918
Deferred Inflows of Resources					
Unavailable revenues - taxes	914,767	511,479	176,391	-	1,602,637
Total deferred inflows of resources	914,767	511,479	176,391	-	1,602,637
Fund Balances					
Nonspendable					
Inventories	22,040	-	-	-	22,040
Restricted					
Street maintenance	-	5,107,473	-	-	5,107,473
Capital projects	-	-	969,166	-	969,166
Debt service	-	-	-	625,554	625,554
Law enforcement activities	-	-	-	51,745	51,745
Housing & neighborhood programs	-	-	-	51,752	51,752
Grant funds	-	-	-	63,164	63,164
Committed					
Capital projects	-	-	6,154,992	-	6,154,992
Equipment	10,895	-	3,878,524	-	3,889,419
Assigned					
Capital projects	-	-	575,221	-	575,221
Unassigned(deficit)	8,889,749	-	-	(3,693)	8,886,056
Total fund balances	8,922,682	5,107,473	11,577,904	788,522	26,396,581
Total liabilities, deferred inflows of resources and fund balances	\$ 10,878,163	\$ 6,326,094	\$ 11,812,034	\$ 934,847	\$ 29,951,136

See Accompanying Notes to Basic Financial Statements.

CITY OF JACKSONVILLE, ARKANSAS

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION DECEMBER 31, 2023

Total fund balances per statement \$ 26,396,581

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the funds. 50,050,421

Liabilities and related inflows/outflows of resources that are not due and payable in the current period and are not reported in the funds :

Bonds payable	(7,172,609)
Accrued compensated absences	(1,016,463)
Net pension liability	(21,453,638)
Deferred inflows and outflows of resources from pensions and OPEB	3,579,411
Net OPEB liability	(1,288,971)

Other long-term assets such as property taxes are not available for current period expenditures and, therefore are reported as unavailable revenue in the funds.

1,569,816

Net position of governmental activities \$ 50,664,549

Capital assets \$ 50,050,421

General obligation bonds net of premiums and discounts (7,172,609)

Unspent bond proceeds 127,841

Net investment in capital assets \$ 43,005,653

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS YEAR ENDED DECEMBER 31, 2023

	General	Street	Special Projects	Total Nonmajor Funds	Total
Revenues					
Property taxes	\$ 854,630	\$ -	\$ 160,095	\$ 481	\$ 1,015,206
Sales taxes	19,936,994	-	-	-	19,936,994
Licenses and permits	440,498	-	-	-	440,498
Intergovernmental	2,026,076	9,387,435	101,041	431,036	11,945,588
Charges for services	1,241,394	-	-	-	1,241,394
Fines and fees	333,916	-	-	-	333,916
Utility franchise taxes	1,252,252	-	-	-	1,252,252
Investment income	332,934	242,899	414,179	40,236	1,030,248
Contributions and donations	-	-	-	-	-
Miscellaneous	302,268	4,570	2,756,859	20,701	3,084,398
Total revenues	26,720,962	9,634,904	3,432,174	492,454	40,280,494
Expenditures					
General government					
General government and administration	292,348	-	932,783	4,424	1,229,555
City council	104,828	-	-	-	104,828
Mayor	314,076	-	-	-	314,076
City clerk	171,786	-	-	-	171,786
City attorney	310,448	-	-	-	310,448
District court	421,190	-	-	-	421,190
Director of administration	4,202	-	-	-	4,202
Information technology	595,925	-	-	-	595,925
Finance	563,122	-	-	-	563,122
Human resources	261,902	-	-	-	261,902
Fleet services	298,018	-	-	-	298,018
Community programs	161,358	-	737	-	162,095
Total general government	3,499,203	-	933,520	4,424	4,437,147
Public works					
Public works coordinator	162,242	-	-	-	162,242
Engineering	414,979	-	-	-	414,979
Streets and drainage	-	10,762,495	-	-	10,762,495
Total public works	577,221	10,762,495	-	-	11,339,716
Parks and recreation services	4,011,356	-	2,592,349	273,751	6,877,456
Police	6,949,411	-	614,884	224,367	7,788,662
Fire	5,775,076	-	24,707	-	5,799,783
Emergency communication services	881,750	-	-	-	881,750
Animal control	459,685	-	-	-	459,685
Code enforcement	340,007	-	-	-	340,007
Housing and neighborhood programs	-	-	-	241,654	241,654
Debt Service					
Principal	-	-	-	350,000	350,000
Interest	-	-	-	155,906	155,906
Agent fees	-	-	-	1,000	1,000
Total expenditures	22,493,709	10,762,495	4,165,460	1,251,101	38,672,765
Excess (Deficiency) of Revenues Over Expenditures	4,227,253	(1,127,591)	(733,286)	(758,647)	1,607,729
Other Financing Sources (Uses)					
Transfers in	462	-	3,500,000	550,091	4,050,553
Transfers out	(4,450,091)	-	(350,000)	(462)	(4,800,553)
Total other financing sources (uses)	(4,449,629)	-	3,150,000	549,629	(750,000)
Net Change in Fund Balances	(222,376)	(1,127,591)	2,416,714	(209,018)	857,729
Fund Balances, Beginning of Year	9,145,058	6,235,064	9,161,190	997,538	25,538,851
Fund Balances, End of Year	\$ 8,922,682	\$ 5,107,473	\$ 11,577,904	\$ 788,522	\$ 26,396,581

See Accompanying Notes to Basic Financial Statements.

CITY OF JACKSONVILLE, ARKANSAS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2023

Net change in fund balances - total governmental funds \$ 857,729

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, for government-wide statements, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital asset purchases	13,873,597
Retirements	(1,307,759)
Depreciation expense	(2,248,622)
Gain on disposal of capital assets	

Governmental funds report debt as expenditures. However, for government-wide statements, the liability must be properly reflected in the statement of net position.

Principal repayments:

General obligation bonds	
Revenue bonds	350,000
Notes payable	24,672
Amortization of bond premiums and discounts	387

Revenues that do not provide current financial resources, such as property taxes, are not reported as revenues for the funds but are reported as revenues in the statement of activities. 96,807

Expenses that do not require current financial resources (such as interest and compensated absences) are not reported as expenses for the funds but are reported as expenses in the statement of activities. (410,546)

Current year pension and OPEB expenditures are reported on the fiscal year basis in the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. 104,269

Change in net position of governmental activities \$ 11,340,534

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			Total
	Sanitation Services	AGFF Shooting Sports Complex	Emergency Medical Services	
Assets and Deferred Outflows of Resources				
Current assets				
Cash	\$ 406,762	\$ 34,651	\$ 50,216	\$ 491,629
Investments	257,171	-	-	257,171
Accounts receivable, net of allowance for uncollectible accounts	312,092	2,162	849,581	1,163,835
Accrued interest	954	-	-	954
Inventories	-	39,872	-	39,872
Total current assets	976,979	76,685	899,797	1,953,461
Noncurrent assets				
Capital assets				
Land and improvements	-	480,385	-	480,385
Buildings and improvements	-	3,002,337	-	3,002,337
Vehicles	3,399,280	13,486	1,271,734	4,684,500
Furniture and equipment	1,471,181	34,637	571,215	2,077,033
	4,870,461	3,530,845	1,842,949	10,244,255
Less accumulated depreciation	(3,117,085)	(821,591)	(999,273)	(4,937,949)
Net capital assets	1,753,376	2,709,254	843,676	5,306,306
Total noncurrent assets	1,753,376	2,709,254	843,676	5,306,306
Total assets	2,730,355	2,785,939	1,743,473	7,259,767
Deferred outflows of resources				
Deferred outflows - pensions	264,902	53,819	414,077	732,798
Total deferred outflows of resources	264,902	53,819	414,077	732,798
Total assets and deferred outflow of resources	\$ 2,995,257	\$ 2,839,756	\$ 2,157,550	\$ 7,992,565
Liabilities, Deferred Inflows of Resources, and Net Position				
Current liabilities				
Accounts payable	\$ 62,775	\$ 7,217	\$ 28,988	\$ 98,980
Accrued wages payable	18,824	4,885	30,743	54,452
Compensated absences	42,048	15,899	57,763	115,710
Deferred revenue	-	-	660	660
Total current liabilities	123,647	28,001	118,154	269,802
Noncurrent liabilities				
Net pension liability	751,607	153,822	1,749,734	2,655,163
Total noncurrent liabilities	751,607	153,822	1,749,734	2,655,163
Total liabilities	875,254	181,823	1,867,888	2,924,965
Deferred inflows of resources				
Deferred inflows - pensions	7,906	1,618	137,691	147,215
Total deferred inflows of resources	7,906	1,618	137,691	147,215
Net Position				
Net investment in capital assets	1,753,376	2,709,254	843,676	5,306,306
Unrestricted (deficit)	358,721	(52,939)	(691,705)	(385,922)
Total net position	2,112,097	2,656,315	151,971	4,920,384
Total liabilities, deferred inflows of resources and net position	\$ 2,995,257	\$ 2,839,756	\$ 2,157,550	\$ 7,992,565

See Accompanying Notes to Basic Financial Statements.

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			Total
	Sanitation Services	AGFF Shooting Sports Complex	Emergency Medical Services	
Operating Revenues				
Charges for services	\$ 1,878,249	\$ 231,842	\$ 2,274,937	\$ 4,385,028
Miscellaneous	73,508	118,365	955	192,828
Total operating revenues	1,951,757	350,207	2,275,892	4,577,856
Operating Expenses				
Salaries, wages and employee benefits	913,010	279,880	1,689,958	2,882,848
Supplies and materials	278,465	31,918	196,668	507,051
Services	161,504	54,098	148,999	364,601
Repairs and maintenance	330,345	6,785	40,873	378,003
Landfill fees	856,489	-	-	856,489
Other	-	237,796	1,081,896	1,319,692
Depreciation	300,076	83,054	138,446	521,576
Total operating expenses	2,839,889	693,531	3,296,840	6,830,260
Operating Income (Loss)	(888,132)	(343,324)	(1,020,948)	(2,252,404)
Nonoperating Revenues				
Interest income	37,068	-	2,076	39,145
Gain on sale of capital assets	4,518	-	-	4,518
Grant revenues	-	-	19,959	19,959
Net nonoperating revenues	41,587	-	22,035	63,622
Income (Loss) Before Contributions and Transfers	(846,545)	(343,324)	(998,913)	(2,188,782)
Transfers in	-	200,000	550,000	750,000
Changes in Net Position	(846,545)	(143,324)	(448,913)	(1,438,782)
Net Position, Beginning of Year	2,958,641	2,799,639	600,886	6,359,166
Net Position, End of Year	\$ 2,112,097	\$ 2,656,315	\$ 151,971	\$ 4,920,384

See Accompanying Notes to Basic Financial Statements.

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			Total
	Sanitation Services	AGFF Shooting Sports Complex	Emergency Medical Services	
Operating Activities				
Receipts from customers	\$ 1,874,769	\$ 230,529	\$ 1,219,924	\$ 3,325,222
Other receipts	73,508	118,365	1,615	193,488
Payments to employees	(859,711)	(271,072)	(1,267,453)	(2,398,236)
Payments to suppliers	(281,051)	(20,592)	(178,668)	(480,311)
Payments to service providers	(156,083)	(55,245)	(149,388)	(360,716)
Other payments	(1,170,587)	(243,928)	(40,751)	(1,455,266)
Net cash provided by (used in) operating activities	(519,155)	(241,944)	(414,721)	(1,175,819)
Noncapital Financing Activities				
Operating grants	-	-	19,959	19,959
Transfers from other funds	-	200,000	550,000	750,000
Net cash provided by noncapital financing activities	-	200,000	569,959	769,959
Capital and Related Financing Activities				
Proceeds from sale of capital assets	4,518	-	-	4,518
Purchases of capital assets	(790,909)	-	(235,335)	(1,026,244)
Net cash provided by (used in) capital and related financing activities	(786,390)	-	(235,335)	(1,021,725)
Investing Activities				
Proceeds from maturities of cash investments	817,226	-	-	817,226
Purchase of cash investments	(312,091)	-	-	(312,091)
Interest income	37,068	-	2,076	39,145
Net cash provided (used) by investing activities	542,203	-	2,076	544,280
Net Increase (Decrease) in Cash	(763,341)	(41,944)	(78,021)	(883,305)
Cash, Beginning of Year	1,170,104	76,594	128,237	1,374,935
Cash, End of Year	\$ 406,762	\$ 34,651	\$ 50,216	\$ 491,629

See Accompanying Notes to Basic Financial Statements.

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF CASH FLOWS (CONTINUED)
 PROPRIETARY FUNDS
 YEAR ENDED DECEMBER 31, 2023

	Business-type Activities - Enterprise Funds			
	Sanitation Services	AGFF Shooting Sports Complex	Emergency Medical Services	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities				
Operating income (loss)	\$ (888,132)	\$ (343,324)	\$ (1,020,948)	\$ (2,252,404)
Adjustment to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	300,076	83,054	138,446	521,576
Provision for uncollectible accounts	-	182,342	-	182,342
Changes in assets and liabilities				
Receivables, net	(3,480)	(1,313)	27,543	22,750
Inventory	-	7,277	-	7,277
Deferred outflows of resources	(62,694)	(11,762)	38,436	(36,020)
Accounts payable	19,082	3,554	17,733	40,369
Accrued expenses	123,815	(160,040)	383,231	347,006
Deferred inflows of resources	(7,822)	(1,732)	838	(8,716)
Net cash provided by (used in) operating activities	<u>\$ (519,155)</u>	<u>\$ (241,944)</u>	<u>\$ (414,721)</u>	<u>\$ (1,175,819)</u>

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS DECEMBER 31, 2023

	Pension Trust Funds	Custodial Funds
	<hr/>	<hr/>
Assets		
Cash and cash equivalents	\$ 599,445	\$ 33
Investments		
U.S. Government obligations	4,173,874	-
Corporate bonds	802,687	-
Mutual funds	6,416,131	-
Receivables		
Due from primary government	70,948	100
Accrued interest	35,824	-
	<hr/>	<hr/>
Total Assets	<u>\$ 12,098,909</u>	<u>\$ 133</u>
Net Position		
Net position restricted for pension benefits	<u>\$ 12,098,909</u>	<u>\$ 133</u>

See Accompanying Notes to Basic Financial Statements.

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS YEAR ENDED DECEMBER 31, 2023

	Pension Trust Funds	Custodial Funds
Additions		
Contributions		
Employer	\$ 45,043	\$ -
District Court fines collected	-	419,453
Contributed from General Fund		
Property taxes	665,146	-
State insurance turnback and guarantee fund	198,346	-
Total contributions	<u>908,535</u>	<u>419,453</u>
Investment income		
Net increase in fair value of investments	925,672	-
Interest and dividends	345,905	-
Gain on sale of investments	56,788	-
	<u>1,328,365</u>	<u>-</u>
Less investment expense	118,460	-
Net investment income	<u>1,209,905</u>	<u>-</u>
Total additions	<u>2,118,440</u>	<u>419,453</u>
Deductions		
Benefits paid directly to participants	1,406,220	
District Court fines distributed		441,429
Administrative expenses	17,400	
Total deductions	<u>1,423,620</u>	<u>441,429</u>
Change in Net Position	694,820	(21,976)
Net Position Restricted for Pension Benefits, Beginning of Year	<u>11,404,089</u>	<u>22,109</u>
Net Position Restricted for Pension Benefits, End of Year	<u>\$ 12,098,909</u>	<u>\$ 133</u>

See Accompanying Notes to Basic Financial Statements.

CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF NET POSITION DISCRETELY PRESENTED COMPONENT UNITS DECEMBER 31, 2023

	Jacksonville Municipal Water Works	Jacksonville Wastewater Utility	Nonmajor Component Unit Advertising and Promotion Commission	Total
Assets and Deferred Outflows of Resources				
Current assets				
Cash and cash equivalents	\$ 3,403,460	\$ 4,576,118	\$ 633,486	\$ 8,613,064
Investments	-	-	1,230,457	1,230,457
Receivables, net of allowance for uncollectible accounts				
Accounts	1,809,518	1,152,561	85,352	3,047,431
Revenues earned and unbilled	-	228,430	-	228,430
Accrued interest	-	-	2,484	2,484
Inventories	780,152	142,863	-	923,015
Prepaid expenses	71,114	19,464	-	90,578
Restricted Current Assets				
Cash and cash equivalents	1,072,365	193,589	-	1,265,954
Total current assets	7,136,609	6,313,025	1,951,779	15,401,413
Noncurrent assets				
Restricted assets				
Cash and cash equivalents	-	1,198,415	-	1,198,415
Total restricted noncurrent assets	-	1,198,415	-	1,198,415
Capital assets				
Land	1,171,103	428,653	-	1,599,756
Buildings and improvements	2,780,753	2,437,312	-	5,218,065
Machinery and equipment	3,474,870	2,624,646	-	6,099,516
LRAFB Distribution System	17,750,941	-	-	17,750,941
Water system	63,334,808	-	-	63,334,808
Sewer system	-	62,398,123	-	62,398,123
Construction in progress	5,491,478	24,726,565	-	30,218,043
	94,003,953	92,615,299	-	186,619,252
Less accumulated depreciation	(37,288,991)	(44,391,420)	-	(81,680,411)
Net capital assets	56,714,962	48,223,879	-	104,938,840
Other assets	417,937	-	-	417,937
Total noncurrent assets	57,132,899	49,422,294	-	106,555,192
Total Assets	64,269,508	55,735,319	1,951,779	121,956,605
Deferred Outflows of Resources				
Deferred amounts on refunding	-	155,006	-	155,006
Deferred outflows from pensions	637,609	496,168	-	1,133,777
Total deferred outflows of resources	637,609	651,174	-	1,288,783
Total Assets and Deferred Outflows of Resources	\$ 64,907,117	\$ 56,386,493	\$ 1,951,779	\$ 123,245,389

See Accompanying Notes to Basic Financial Statements.

	Jacksonville Municipal Water Works	Jacksonville Wastewater Utility	Nonmajor Component Unit Advertising and Promotion Commission	Total
Liabilities, Deferred Inflows of Resources, and Net Position				
Current liabilities				
Accounts payable	\$ 1,606,435	\$ 550,887	\$ 255,485	\$ 2,412,807
Accrued interest payable	8,875	34,061	-	42,936
Bonds payable-current portion	3,437,025	955,000	-	4,392,025
Accrued expenses and other	189,542	59,625	-	249,167
Total current liabilities	<u>5,241,877</u>	<u>1,599,573</u>	<u>255,485</u>	<u>7,096,935</u>
Noncurrent liabilities				
Bonds payable, net of unamortized discount	9,154,561	20,138,747	-	29,293,308
Customer deposits	895,361	-	-	895,361
Net pension liability	2,079,897	1,786,541	-	3,866,438
Other long-term liabilities	2,010	903,831	-	905,841
Total noncurrent liabilities	<u>12,131,829</u>	<u>22,829,119</u>	<u>-</u>	<u>34,960,948</u>
Total liabilities	<u>17,373,706</u>	<u>24,428,692</u>	<u>255,485</u>	<u>42,057,883</u>
Deferred Inflows of Resources				
Deferred inflows from pensions	98,197	53,213	-	151,410
Net Position				
Net investment in capital assets	44,123,376	26,595,053	-	70,718,429
Restricted-expendable	1,072,365	1,392,004	-	2,464,369
Unrestricted	2,239,473	3,917,531	1,696,294	7,853,298
Total net position	<u>47,435,214</u>	<u>31,904,588</u>	<u>1,696,294</u>	<u>81,036,096</u>

Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 64,907,117</u>	<u>\$ 56,386,493</u>	<u>\$ 1,951,779</u>	<u>\$ 123,245,389</u>
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CITY OF JACKSONVILLE, ARKANSAS

STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
YEAR ENDED DECEMBER 31, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
Advertising and Promotion Commission	\$ 988,836	\$ -	\$ -	\$ -
Total governmental activities	988,836	-	-	-
Business-type Activities				
Municipal Water Works	10,145,105	8,914,242	-	47,283
Wastewater Utility	6,087,675	4,848,296	-	4,665,895
Total business-type activities	16,232,780	13,762,538	-	4,713,178
Total component units	\$ 17,221,616	\$ 13,762,538	\$ -	\$ 4,713,178

General revenues

Sales taxes
Investment income
Other

Total general revenues

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

See Accompanying Notes to Basic Financial Statements.

**Net (Expense) Revenue and
Changes in Net Position**

Jacksonville Municipal Water Works	Jacksonville Wastewater Utility	Advertising and Promotion Commission	Total
\$ -	\$ -	\$ (988,836)	\$ (988,836)
-	-	(988,836)	(988,836)
(1,183,580)	-	-	(1,183,580)
-	3,426,516	-	3,426,516
(1,183,580)	3,426,516	-	2,242,936
<u>\$ (1,183,580)</u>	<u>\$ 3,426,516</u>	<u>\$ (988,836)</u>	<u>\$ 1,254,100</u>
-	-	1,103,756	1,103,756
76,783	366,510	32,991	476,284
4,672,547	-	-	4,672,547
4,749,330	366,510	1,136,747	6,252,588
3,565,750	3,793,026	147,911	7,506,688
43,869,464	28,111,562	1,548,382	73,529,408
<u>\$ 47,435,214</u>	<u>\$ 31,904,588</u>	<u>\$ 1,696,294</u>	<u>\$ 81,036,096</u>



CITY OF JACKSONVILLE, ARKANSAS

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2023

Note 1: Nature of Operations and Summary of Significant Accounting Policies

The City of Jacksonville, Arkansas (the “City”), is a municipal corporation operating under the authority of Arkansas state statute. The City operates under the Mayor-City Council form of government. Citizens elect the Mayor at large and ten council members by wards. The Mayor and City Council are responsible for setting City policy.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the standard setting body accepted in the United States for establishing governmental accounting and financial reporting principles. A description of the more significant accounting and financial reporting policies and practices of the City follows:

Reporting Entity

The accompanying government-wide financial statements present the financial statements of the City of Jacksonville and its component units. The component units are legally separate entities for which the City is considered to be financially accountable. Accountability is defined as the City’s substantive appointment of the majority of the component unit’s governing board. Furthermore, to be financially accountable, the City must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to or impose specific financial burdens on the City.

The City’s employee benefit plans, being fiduciary in nature, were not evaluated as potential component units but instead are reported as fiduciary funds.

The City’s primary government consists of those funds or organizations that make up the legal entity for which it is financially responsible. Under these criteria, the following are included in the primary government reporting entity:

Discretely Presented Component Units

Jacksonville Municipal Water Works (“JMWW”) – The City’s Mayor appoints, with City Council approval, a five member Water Commission which acts as the governing body of JMWW. JMWW receives no financial benefit from the City; however, the City has the power to impose its will on JMWW. Rate changes must be approved by the Mayor and City Council. JMWW provides commercial and residential water services that primarily benefit the citizens of Jacksonville.

Jacksonville Wastewater Utility (“JWWU”) – JWWU is governed by a five member commission appointed by the Mayor and approved by the City Council. The City has the power to impose its will on JWWU. Rate changes must be approved by the Mayor and City Council. JWWU provides wastewater treatment services that primarily benefit the citizens of Jacksonville.

Jacksonville Advertising and Promotion Commission (“Commission”) – The seven member governing body is appointed by the City Council. The City has the power to impose its will on the Commission. The Commission has the authority to authorize and disburse expenditures of the City’s hotel/motel tax and prepared food tax.

Complete financial statements of the individual component units can be obtained from their respective administrative offices.

Administrative Offices

Jacksonville Municipal Water Works
1900 Marshall Road
Jacksonville, Arkansas 72076

Jacksonville Wastewater Utility
248 Cloverdale Road
Jacksonville, Arkansas 72076

Jacksonville Advertising and Promotion Commission
1 Municipal Drive
Jacksonville, Arkansas 72076

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements.

Government-wide Financial Statements

The government-wide financial statements report information on all of the nonfiduciary activities of the primary government and its component units. Fiduciary activities are excluded from the government-wide statements because they cannot be used to support the City's own programs. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenues. Direct expenses are those that are clearly associated with a specific function or identifiable activity. Expenses that cannot be specifically identified to a particular function are charged to funds based on time spent for that function and are included in the functional categories. Program revenues include (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or identifiable activity and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or identifiable activity.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category-governmental, proprietary and fiduciary-are presented. The emphasis of fund financial statements is on major governmental and major enterprise funds, each displayed in a separate column. All other governmental and enterprise funds are aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund.

The *Street Fund* is a special revenue fund which accounts for gasoline and road taxes received from state and county levies. Revenues are expended for maintenance and repair of streets, sidewalks, and traffic control signals as well as street lighting.

The *Special Projects Fund* is a capital projects fund used to account for the accumulation of financial resources utilized for construction, renovation, expansion and major improvements of various City

facilities, acquisition of land, and new acquisitions and replacements of capital equipment used in City operations. The fund is perpetual.

The City reports the following proprietary (enterprise) funds:

The *Sanitation Services Fund*, a blended component unit of the City, is a major enterprise fund which accounts for the activities of providing solid waste collection and disposal and for operations of the City's waste recycling center.

The AGFF *Shooting Sports Complex Fund*, a blended component unit of the City, is a major enterprise fund which accounts for operation of the City's public shooting range facility.

The *Emergency Medical Services Fund*, a blended component unit of the City, is a major enterprise fund which accounts for the activities of providing emergency medical transportation services.

Additionally, the City reports the following fund types:

Special Revenue Funds – The special revenue funds, which include federal and state grants, are used to account for the proceeds of specific revenue sources, other than expendable trusts or major capital projects, which are legally restricted to expenditures for specified purposes.

Debt Service Funds – The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund – The capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by enterprise funds.

Pension Trust Funds – Accounts for assets held in trust for the Policemen's Pension and Relief Fund and the Firemen's Pension and Relief Fund. Plan trustees must act in accordance with the specific purposes and terms of these retirement plans.

Custodial Funds – Accounts for activities associated with collecting and disbursing fines, court costs, forfeitures and restitution monies for the District Court.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities' column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfer in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column. However, interfund services provided and used are not eliminated in the process of consolidation.

Measurement Focus and Basis of Accounting

Government-wide, Proprietary and Fiduciary Funds

The government-wide, proprietary, fiduciary, and custodial fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when

earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the principal ongoing operations of the fund. All revenues and expenses not meeting this definition are reported as nonoperating items.

Nonexchange transactions, in which the City receives (or gives) value without directly giving (or receiving) equal value in exchange, include taxes; fines and forfeitures; grants, entitlements, and similar items; and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Franchise taxes, other taxes, and fines and forfeitures are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted. Grants, entitlements, and donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as deferred revenues. Grants and similar aid to other organizations are recognized as expenses as soon as recipients have met all eligibility requirements. Amounts paid before all eligibility requirements have been met are reported as prepaid items.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included in the balance sheet. The statement of revenues, expenditures and changes in fund balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of general long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The City considers revenues reported in the governmental funds to be available if they are collectible within sixty (60) days after year-end. Principal revenue sources considered susceptible to accrual include property taxes, sales taxes, franchise taxes, grant revenues and investment earnings. Other revenues, such as fines and forfeitures, are considered measurable and available only when cash is received by the City. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences which are recognized as expenditures when payment is due. Pension expenditures are recognized when amounts are contributed to a plan or when expected to be liquidated with expendable available financial resources.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, deferred inflows of resources and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits and cash on hand. In order to facilitate cash management, the operating cash of certain funds is pooled into common bank accounts. Certificates of deposits that have a maturity of less than 1 year are considered as cash equivalents.

Investments and Investment Income

All investments in the City's Pension Trust Funds are carried at fair value. For all other funds, investments in certificate of deposit and money market investments are carried at amortized cost, which approximates fair value.

Investment income includes dividend and interest income and the net change for the year in the fair value of investments. Investment income is assigned to funds with which the related investment asset is associated.

Inventories

Inventories, consisting of merchandise, material, and supplies, are valued at cost. Cost is determined using the first-in, first-out method. The costs of governmental fund type inventories are recorded as expenditures when purchased.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the government-wide financial statements and the fund financial statements for proprietary funds. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value on the date of donation.

The City's capitalization policy defines capital assets as assets with an initial value or cost greater than or equal to \$5,000 and an estimated useful life of greater than one year. Exceptions are for infrastructure assets which are defined as having a constructed cost greater than or equal to \$100,000. Renewal and betterments of property and equipment are capitalized, whereas normal repairs and maintenance are charged to expense as incurred.

Capital assets are depreciated using the straight-line method over their estimated useful lives ranging from 15 – 50 years for infrastructure, 10 – 40 years for buildings and 3 – 25 years for land improvements, vehicles and equipment.

Depreciation expense is charged directly to the department/function based on the department that utilizes the related asset.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the columns for governmental activities, business-type activities and component units. These amounts are also reported as liabilities in the fund financial statements for proprietary funds. Debt premiums and discounts are deferred and amortized using the effective interest rate method. Long-term debt is reported net of the applicable debt premium or discount.

In the fund financial statements, governmental fund types recognize debt premiums during the current period. The face amount of the debt issued and premiums received are reported as other financing sources. Issuance costs, whether or not withheld from the actual proceeds received, are reported as debt service expenditures.

Compensated Absences

The City allows nonuniformed employees to accumulate unused vacation of up to 80 hours, police to accumulate unused vacation of up to 84 hours, and firefighters to accumulate unused vacation of up to 144 hours for one year. Upon termination, any accumulated unused vacation time will be paid to the employee. Generally, City employees are allowed to accumulate unused sick leave up to a maximum of 90 days. Any accumulated unused sick leave up to 60 days is paid upon employee retirement from the City. At the end of term of service, police officers will be paid for any accumulated unused sick leave upon retirement up to 60 days. At the end of term of service, firefighters will be paid for any accumulated unused sick leave upon retirement up to 60 days, provided that payment does not exceed three months' salary. Historically, employees have been compensated for unused sick and vacation time from the General Fund, the Street and CDBG Special Revenue Funds, the Sanitation Services Enterprise Fund, and the AGFF Shooting Sports Complex Fund, as well as the Emergency Medical Services Fund based on the assignment of the employee at termination.

The City records a liability for compensated absences as the employee earns benefits attributable to services rendered that is not contingent on a specific event that is outside the control of the City. Additionally, the City accrues benefits for earned sick leave only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies. Compensated absences are accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured such as a result of employee resignations and retirements.

Unearned Revenue

Unearned revenue includes amounts that have been received before all eligibility requirements for revenue recognition have been met. These amounts are recorded as a liability until such requirements are met, at which point, they will be recorded as revenue.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's defined benefit pension plans (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City has a deferred outflow for a bond refunding, which is the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred or amortized to interest expense over the shorter of the life of the refunded and new debt. In addition, the City has deferred outflows related to pensions, with one being the amount of contributions made to the pension plans after the measurement date, and the other the difference in investment experience between actual earnings and projected earnings on pension plan investments and the difference in assumption changes. Deferred outflows related to contributions made after the measurement date will be recognized as a reduction of net pension liability. The remaining amounts will be amortized to pension expense over future periods as shown within Note 6.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City's deferred inflows include property taxes in the governmental funds. The City also has deferred inflows related to pensions. This consists of the difference between the expected and actual experience related to the pension plans as well as the difference in assumption changes. These amounts are amortized over future periods to pension expense as shown within Note 6.

Net Position/Fund Balance

Net position of the government-wide financial statements and proprietary funds of the City are classified in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted expendable net position are noncapital assets that must be used for a particular purpose as specified by creditors, grantors, or donors external to the City, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Unrestricted net position is remaining assets and deferred outflows of resources less remaining liabilities and deferred inflows of resources that do not meet the definition of net investment in capital assets, restricted expendable, or restricted nonexpendable.

When both restricted and unrestricted resources are available for use, generally it is the City’s policy to use restricted resources first. For projects funded by tax-exempt debt proceeds and other sources, the debt proceeds are used first.

The fund balances of the City’s governmental funds are classified in five components:

Nonspendable – Nonspendable fund balances are not in a spendable form or are required to be maintained intact.

Restricted – Restricted fund balances may be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed – Committed fund balances may be used only for specific purposes determined by ordinance of the City Council. Commitments may be changed or lifted only by issuance of an ordinance by the City Council.

Assigned – Assigned fund balances are intended to be used by the City for specific purposes as determined by the Mayor or City Council. In governmental funds other than the General Fund, assigned fund balances represent the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned – Unassigned fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative fund balance if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes.

The City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City applies committed amounts first, followed by assigned amounts, and then unassigned amounts when the expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General and Street Funds. All annual appropriations lapse at year end.

Pension Plan Descriptions

The City participates in four defined benefit pension plans; which are comprised of two single employer defined benefit pension plans and two cost sharing multiple employer defined pension plans, each of which are described and illustrated in detail in Note 6.

Future Adoption of Accounting Pronouncements

The GASB has issued the following potentially significant statements which the City has not yet adopted and which require adoption subsequent to December 31, 2023:

Statement No.		Adoption Required in Fiscal Year
99	<i>Omnibus 2022</i>	Various
100	<i>Accounting Changes and Error Corrections- an admendment of GASB Statement No. 62</i>	2024
101	<i>Compensated Absences</i>	2024
102	<i>Certain Risk Disclosures</i>	2025
103	<i>Financial Reporting Model Improvements</i>	2026

The impact of these standards on the City's net position has not been determined.

Note 2: Deposits and Investments

Deposits

Custodial credit risk is the risk that, in the event of the failure of a financial institution, a government's deposits may not be returned to it. The City's deposit policy for custodial credit risk requires compliance with the provisions of state law.

City statute requires that deposits in financial institutions be collateralized with federal depository insurance or other interest bearing securities of the United States, the State of Arkansas, Arkansas political subdivisions or agencies or instrumentalities of these entities at 102%. No legal opinion has been obtained regarding the enforceability of any of the collateral arrangements.

State statutes require all time and demand deposits to be fully insured or collateralized. Accounts with under \$250,000 balance of either an interest bearing account or non-interest bearing account are covered by FDIC deposit insurance. The total cash held in demand deposits has been fully collateralized and meets statutes' requirements. At December 31, 2023, none of the City's primary government bank balances were exposed to custodial credit risk.

Investments

The investment policy of the City is governed by State statute and a Council adopted City Investment Policy. Major controls stipulated in the Investment Policy include: depository limitations require Federal Deposit Insurance Corporation ("FDIC") insurance or full 102 percent collateralization; all collateral for repurchase agreements and deposits held by independent third party trustees; all settlement is delivery versus payment; all authorized investments are defined; and diversification guidelines are set as are maximum maturity and maximum weighted average maturity.

Arkansas statutes authorize the City to invest in direct obligations of the U.S. Government; obligations on which the principal and interest are fully guaranteed, or are fully secured, insured, or covered by commitments or agreements to purchase by the U.S. Government; obligations of agencies and instrumentalities created by act of the United States Congress and authorized thereby to issue such securities or evidence of indebtedness, regardless of guarantee of repayment by the U.S. Government; obligations of political subdivisions of the United States; certain obligations issued by the State Board of Education; short-term warrants of political subdivisions of the State of Arkansas and municipalities; the sale of federal funds with a maturity of not more than one business day; demand, savings or time deposits fully insured by a federal deposit insurance agency; repurchase agreements that are fully insured by obligations of the U.S. government, any U.S. State or any political subdivision thereof; securities of or other interest in, any open-end type investment company or investment trust registered under the *Investment Company Act of 1940*, and which is considered a money market fund, provided that the portfolio is limited principally to U.S. government obligations and the investment company or trust takes delivery of collateral either directly or through an authorized custodian; and bank certificates of deposit.

Arkansas statutes also authorize the City to invest no more than 20% of its capital base in corporate debt obligations; revenue bond issue of any state, municipality or political subdivisions; industrial development bonds for corporate obligors issued through any state or political subdivision; securities or interest in an open-end or close-end management type investment company or trust registered under the *Investment Company Act of 1940* with certain limitations; securities or interest issued, assumed, or guaranteed by certain international banks; and uninsured demand, savings or time deposits or accounts of any depository institution chartered by the United States, any U.S. state, or District of Columbia. The pension trust funds are authorized to also invest in common stocks, investment grade corporate bonds and other appropriate securities.

The investments of the City as shown on the Statement of Net Position consist of non-negotiable certificates of deposit with an average maturity of 1 year. The pension trust funds' investments, carried at fair value, and maturities as of December 31, 2023 were as follows:

Investment Type	Fair Value	Investment Maturities			
		Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
U.S. Treasury obligations	\$ 1,544,493	\$ -	\$ -	\$ 6,805	\$ 1,537,689
U.S. Agencies obligations	2,629,381	430,720	1,805,066	393,596	-
Corporate bonds	802,687	183,558	319,722	299,408	-
Mutual funds	6,416,132	6,416,132	-	-	-
	11,392,693	\$ 7,030,409	\$ 2,124,787	\$ 699,808	\$ 1,537,689
Money Market Fund- Fiduciary	369,681				
Money Market Fund- Governmental	15,868,607				
	\$27,630,979				

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, the City records investments at fair value. However, for participating interest-earning investments contracts with maturities of one year or less at time of purchase, the City reports these investments at amortized costs.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Also, investments can be highly sensitive to changes in interest rates due to their terms or characteristics. The City manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio matures evenly over time as needed to provide the cash flow and liquidity necessary for operations. The City's investment policy states that the maximum maturity for any investment is limited to a final stated maturity of five years, unless the investment funds are defined for use after five years.

The pension trust funds investment policies address interest rate risk by managing asset allocation. The Policemen's Pension and Relief Fund allows for 2% to 30% in cash and cash equivalents, 35% to 75% in fixed income investments and 20% to 50% in equities. The Firemen's Pension and Relief Fund allows 5% to 15% in cash and cash equivalents, 25% to 40% in fixed income investments and 40% to 70% in equities.

Credit Risk – Credit risk of investments is the risk that the issuer or other counterparty will not fulfill its obligations. It is the City's policy, excluding fiduciary funds, to invest almost exclusively in government-issued treasuries and agencies, and FDIC insured certificates of deposit. As of December 31, 2023, the City's investments, exclusive of the pension trust funds, consisted of FDIC insured certificates of deposit.

The investment policy of the Firemen's Pension and Relief Fund states that plan assets may be invested in investment grade bonds rated by Standard and Poor's of BBB+ or better and in commercial paper rated A1 or better. The Policemen's Pension and Relief Fund investment policy requires a credit analysis of each debt instrument prior to inclusion in the portfolio.

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of failure of the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name. Exclusive of the pension trust funds, on December 31, 2023, investments held by the City were limited to certificates of deposit which were FDIC insured or collateralized at 102% of the deposits fair value and U.S. Treasury Fund money market accounts. The City's collateral is held by third party financial institutions. Monthly and quarterly collateral reports are sent to the City's finance department.

Concentration of Credit Risk – The City's investment policy limits investments in securities from any one issuer to 5% of the cost basis of the City's portfolio at the time of purchase, and limits concentration in any one business sector to 15% of the cost basis of the portfolio excluding U.S. Government obligations and collateralized certificates of deposit. The City had no concentration of credit risk as of December 31, 2023.

The Policemen's Pension and Relief Fund limits investments in any one equity issuer to 7% of the fair value of the total portfolio. No single industry may exceed 20% of the portfolio. The Firemen's Pension and Relief Fund limits investments in the securities of any one company or government agency to 5% of the portfolio, and allows no more than 10% of the portfolio to be invested in any one industry.

Foreign Currency Risk – This risk relates to the adverse effects on the fair value of an investment from changes in exchange rates. The City's investment policy doesn't directly address foreign currency risk. The City had no investments that were denominated in foreign currency on December 31, 2023.

Fair Value of Assets – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1	Quoted prices in active markets for identical assets or liabilities
Level 2	Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
Level 3	Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Recurring Measurements

The following table represents the fair value measurements of assets recognized in the accompanying fiduciary funds financial statements measured at fair value on a recurring basis and the level within the fair hierarchy in which the fair value measurements fall at December 31, 2023:

		Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
December 31, 2023				
U.S. Treasury obligations	\$ 1,544,493	\$ -	\$ 1,544,493	\$ -
U.S. Agencies obligations	2,629,381	-	2,629,381	-
Corporate bonds	802,687	-	802,687	-
Bond mutual funds	-	-	-	-
Mutual funds	6,416,132	6,416,132	-	-
Total investments by fair value level	\$ 11,392,693	\$ 6,416,132	\$ 4,976,561	\$ -
Investments Measured at the Net Asset Value (NAV)				
Money Market Fund- Fiduciary	\$ 369,681			
Money Market Fund- Governmental	15,868,607			
	\$ 16,238,287			

Investments – Where quoted market prices are available in an active market, securities are classified within level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections, and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Summary of Carrying Values – The carrying values of deposits and investments shown above are included in the statements of net position as follows:

	Balance			Balance
	January 1,			December 31,
Total Business-Type Activities	2023	Increases	Decreases	2023
Capital Assets, non-depreciable				
Land	\$ 480,385	\$ -	\$ -	\$ 480,385
Construction in Progress	-	-	-	-
Total capital assets, non-depreciable	480,385	-	-	480,385
Capital Assets, depreciable				
Buildings	2,854,808	-	-	2,854,808
Land Improvements	147,529	-	-	147,529
Vehicles	4,709,329	781,740	(806,569)	4,684,500
Equipment	2,115,354	26,205	(64,523)	2,077,033
Total capital assets, depreciable	9,827,018	807,945	(871,092)	9,763,870
Less accumulated depreciation				
Buildings	636,386	71,370	-	707,756
Land Improvements	55,970	9,743	-	65,713
Vehicles	2,908,227	317,360	(806,569)	2,419,018
Equipment	1,622,359	123,102	-	1,745,461
Total accumulated depreciation	5,222,942	521,574	(806,569)	4,937,949
Total Business-type activities	\$ 5,084,461	\$ 286,371	\$ (64,523)	\$ 5,306,306

Construction in progress is composed of the following:

	Expended to December 31, 2023	Estimated Amount To Complete
Primary Government		
General Government		
Military Road sidewalk	\$ 17,200	\$ 212,800
Loop Road rail grade	9,879,635	2,120,365
Court Building Renovation	403,603	396,397
Pump Track	174,620	153,620
Curtain for Shooting Range	453,301	318,000
Fire Station 2 relocation	349,849	2,850,000
	\$ 11,278,208	\$ 6,051,182

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	
General administration	\$ 205,591
District Court	1,981
Information technology	44,669
Community programs	34,897
Total general government	287,138
Public works	
Engineering	2,660
Streets and drainage	626,118
Total public works	628,778
Parks and recreation services	392,033
Police	476,727
Fire	309,599
Emergency services	134,273
Animal control	20,074
Total depreciation expense - governmental activities	2,248,622
Business-type Activities	
Sanitation services	300,074
AGFF Shooting Sports Complex	138,446
Emergency medical services	83,054
Total depreciation expense - business-type activities	521,574
Total depreciation expense - primary government	\$ 2,770,196

Note 4: Long-term Liabilities

Changes in long-term liabilities for the year ended December 31, 2023 were as follows:

	Balance January 1, 2023			Balance December 31, 2023	Amounts Due In One Year
Governmental Activities		Increases	Decreases		
Bonds payable-					
2020 Capital Improvement and Refunding	\$ 7,515,000	\$ -	\$ 350,000	\$ 7,165,000	\$ 360,000
Add: issuance premium	7,995	-	387	7,609	-
Bonds payable, net	7,522,995	-	350,387	7,172,609	360,000
Notes payable	24,672	-	24,672	-	-
Compensated absences	605,917	457,412	46,867	1,016,463	671,795
Governmental activities					
long-term liabilities	\$ 8,153,584	\$ 457,412	\$ 421,925	\$ 8,189,071	\$ 1,031,795

	Balance January 1, 2023			Balance December 31, 2023	Amounts Due In One Year
Business-type Activities		Increases	Decreases		
Compensated absences	\$ 91,049	\$ 24,661	\$ -	\$ 115,709	\$ 115,708
Total business-type activities					
long-term liabilities	\$ 91,049	\$ 24,661	\$ -	\$ 115,709	\$ 115,708

Governmental Activities

2020 Capital Improvement and Refunding Revenue Bonds - Bonds in the amount of \$7,935,000 were issued to finance the cost of (1) acquiring, constructing, equipping, renovating, expanding, and refurbishing various capital improvements, including the court facility renovations, Public Safety Building roof repair,

new City Mechanic shop with car wash, and for related purposes (together, the “Capital Improvements”), (2) refunding the City’s Capital Improvement and Refunding Revenue Bonds, Series 2015, (3) funding a debt service reserve, and (4) paying the costs associated with the issuance of the bonds. These bonds are limited obligations of the City, payable solely from the revenues received by the City from all franchise fees collected from public utilities for the privilege of using the City’s streets, rights-of-way and other public places in the City. Principal payments are due annually beginning June 1, 2021. Interest payments are due semiannually on June 1 and December 1, beginning June 1, 2021. The bonds are subject to extraordinary, optional and special redemption, in whole or in part, on any interest payment date from bond proceeds not needed, or additional monies from franchise fees, at a redemption price equal to the principal amount being redeemed plus accrued interest to the redemption date. Bond interest rates range from 1.625% to 2.375% and final maturity is scheduled to be June 1, 2040.

Annual Debt Service Requirements

The following schedule shows the annual debt-service requirements to pay principal and interest on the general obligation bonds and revenue bonds outstanding at December 31, 2023.

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 360,000	\$ 148,806	\$ 508,806
2025	365,000	141,556	506,556
2026	370,000	134,206	504,206
2027	380,000	126,706	506,706
2028	385,000	119,056	504,056
2029-2033	2,045,000	483,122	2,528,122
2034-2038	2,275,000	252,209	2,527,209
2039-2040	985,000	23,572	1,008,572
Total	\$ 7,165,000	\$ 1,429,233	\$ 8,594,233

Pledged Revenues

The following is a summary of pledged revenues of the City for the year ended December 31, 2023:

Debt	Revenue Pledged	Total Pledged Revenue	Percentage			Period Revenue Will Not Be Available For Other Purposes
			Current Year Debt Service Requirements	Portion of Pledged Revenue Stream	Remaining Principal and Interest	
2020 Capital Improvement and Refunding Revenue Bonds	Franchise fees for public utilities	\$ 1,105,000	\$ 505,906	46%	\$ 8,594,233	Until 2040

Note 5: Interfund Balances and Transfers

Interfund receivables and payables result from transactions between various funds within the City. The balances by fund on December 31, 2023 are as follows:

Fund	Interfund	
	Receivables	Payables
Primary Government		
Governmental Funds to/from Nonfiduciary Funds		
General	\$ 134,920	\$ 16,323
Special Projects	-	1,166
Asset Forfeitures	17,489	-
CDBG	1	133,759
Grants	-	1,162
2020 Capital Improvements Construction	8,643	-
2020 Capital Improvements Debt Service	-	8,643
Governmental Funds to/from Fiduciary Funds		
General Fund	-	71,048
Total governmental funds	161,053	232,101
Fiduciary Funds		
Policemen's Pension	35,474	-
Firemen's Pension	35,474	-
Custodial	100	-
Total fiduciary funds	71,048	-
Total	\$ 232,101	\$ 232,101

The outstanding balances between funds result mainly from the time lag between the dates (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

The amounts due to the fiduciary funds result from the collection and remittance of property taxes by the General Fund that are levied to fund the Policemen's and Firemen's Pension Plans.

Interfund transfers in and transfers out for the year ended December 31, 2023, are as follows:

Fund	Interfund Transfers	
	In	Out
Governmental Funds:		
Major Funds:		
General Fund	\$ 462	\$ 4,450,092
Capital Projects-		
Special Projects	3,500,000	350,000
Nonmajor Funds	550,092	462
Total governmental funds	4,050,554	4,800,554
Proprietary Funds:		
AGFF Shooting Sports Complex	200,000	-
Emergency Medical Services	550,000	-
Total proprietary funds	750,000	-
Total	\$ 4,800,554	\$ 4,800,554

The transfers out of \$4,450,092 from the General Fund are transfers out to supplement the Emergency Medical Services Fund for operational expenses in the amount of \$550,000, to supplement the AGFF Shooting Sports Complex Fund for operational expenses in the amount of \$200,000, to supplement the special project funds \$3,500,000 for future capital improvements, and to meet debt service requirements in the 2020 Capital Improvements Debt Service Fund in the amount of \$550,092.

Note 6: Pension Plans***Pension Trust Funds***

Substantially all of the City's employees receive retirement benefits. The City sponsors two single employer defined benefit plans, the Policemen's Pension and Relief Fund and the Firemen's Pension and Relief Fund. The City also contributes to the Arkansas Public Employees Retirement System (APERS) and to the Arkansas Local Police and Fire Retirement System (LOPFI), which are statewide cost sharing multiple employer defined benefit pension plans. The City typically contributes to these funds through the Governmental Funds: General and Street and the Enterprise Funds: Sanitation, AGFF Shooting Sports Complex, and Emergency Services based upon employees and their retirement plans. The assets of the Plans are maintained in legally separate trusts and each Plan's assets may be used only for the payment of benefits to the members of that plan or their beneficiaries in accordance with the terms of the Plan.

A summary of the net pension liability, deferred outflows, deferred inflows and pension expense of each plan is shown below. Detailed discussion of each plan will follow in this note.

	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense (Income)
Governmental Activities				
Policemen's Pension and Relief Fund	\$ 278,229	\$ 373,546	\$ -	\$ 488,484
Firemen's Pension and Relief Fund	1,407,804	327,217	-	177,049
Arkansas Public Employee Retirement System	6,487,101	2,282,744	68,239	907,589
Arkansas Local Police and Fire Retirement System - Fire	7,085,822	1,551,052	622,133	783,515
Arkansas Local Police and Fire Retirement System - Police	6,194,682	1,407,915	982,588	509,485
	\$ 21,453,638	\$ 5,942,474	\$ 1,672,960	\$ 2,866,122
Business-Type Activities				
Arkansas Public Employee Retirement System	\$ 1,111,630	\$ 394,926	\$ 11,693	\$ 151,769
Arkansas Local Police and Fire Retirement System	1,543,533	337,872	135,522	170,676
	\$ 2,655,163	\$ 732,798	\$ 147,215	\$ 322,445
Total Primary Government	\$ 24,108,801	\$ 6,675,272	\$ 1,820,175	\$ 3,188,567

Policemen's Pension and Relief Fund and Firemen's Pension and Relief Fund**A. Summary of Significant Accounting Policies****Basis of Accounting**

The City of Jacksonville's financial statements for its single-employer defined benefit plans are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. City contributions to each plan are recognized when due and the City has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each Plan.

Method Used to Determine Fair Value of Investments

The fair value of investments other than mutual funds is determined using quoted market prices. The fair value of investments in mutual funds is determined using the fund's current per share price.

B. Covered Employees Information

As of the December 31, 2023 measurement date, there were 15 police and 31 fire retirees and beneficiaries covered by benefit terms of the plans. There are no active employees in the plans.

C. Financial Information

The statement of fiduciary net position and the statement of changes in fiduciary net position as of and for the year ended December 31, 2023 for the Policemen's and Firemen's Pension and Relief Funds are below:

	Statement of Fiduciary Net Position	
	Policemen's Pension And Relief Fund	Firemen's Pension And Relief Fund
Assets		
Cash and cash equivalents	\$ 257,167	\$ 342,278
Investments	5,820,188	5,572,504
Receivables	50,981	55,791
Total assets	6,128,336	5,970,573
Net Position		
Net position restricted for pension benefits	\$ 6,128,336	\$ 5,970,573

	Statement of Changes in Fiduciary Net Position	
	Policemen's Pension And Relief Fund	Firemen's Pension And Relief Fund
Additions		
Contributions	\$ 423,704	\$ 484,831
Net investment income	560,548	649,357
Total additions	984,252	1,134,188
Deductions		
Benefits paid directly to participants	635,640	770,580
Administrative expenses	12,400	5,000
Total deductions	648,040	775,580
Change in Net Position	336,212	358,608
Net Position Restricted For Pension Benefits, Beginning of Year	5,792,124	5,611,965
Net Position Restricted For Pension Benefits, End of Year	\$ 6,128,336	\$ 5,970,573

D. Plan Descriptions and Funding Information

The **Policemen's Pension and Relief Fund (Policemen's Fund)** is a single-employer defined benefit pension plan administered by the City, established in accordance with legislation enacted by the Arkansas General Assembly. Benefit provisions are established by State of Arkansas Act #16, as amended. Policemen's Fund assets are administered by a Board of Trustees.

The Policemen's Fund provides retirement benefits for policemen who have completed 20 years of service. Disability benefits are available to policemen who become permanently disabled, unless the disability is the result of gainful employment performed outside of the police department. The

Policemen's Fund also provides benefits for surviving spouses and dependent children of deceased policemen. No benefits are vested to participants until normal retirement. At normal retirement, participants may elect to continue working and enter the Deferred Retirement Option Plan ("DROP") for up to 5 years. All policemen hired after January 1, 1983 participate in the Arkansas Local Police and Fire Retirement System created by Act 364 of 1981. Therefore, the Policemen's Fund is effectively closed to new members.

Contributions to the Policemen's Fund are set forth in Arkansas statute. The City's contribution to the Policemen's Fund consists of a one mill real and personal property tax collection, an insurance premium tax turnback collected by the State Insurance Commissioner, and a \$3 assessment against each court case plus 10% of fines and forfeitures collected. Administrative costs are financed through Fund assets approved by the Board of Trustees. Total contributions for 2023 to the Policemen's Fund were \$423,704. The City's share of contributions was \$423,704 and included \$332,573 in property taxes and \$46,088 in state insurance premium taxes and other supplements received from the state.

The ***Firemen's Pension and Relief Fund (Firemen's Fund)*** is a single-employer defined benefit pension plan administered by the City, established in accordance with legislation enacted by the Arkansas General Assembly. Benefit provisions are established by State of Arkansas Act #14, as amended. Fund assets are administered by a Board of Trustees.

The Firemen's Fund provides retirement benefits for firemen who have completed 20 years of service. Disability benefits are available to firemen who become permanently disabled, unless the disability is the result of gainful employment performed outside of the fire department. The Firemen's Fund also provides benefits for surviving spouses and dependent children of deceased firemen. No benefits are vested to participants until normal retirement. At normal retirement, participants may elect to continue working and enter the DROP for up to 5 years. All firemen hired after January 1, 1983 participate in the Arkansas Local Police and Fire Retirement System created by Act 364 of 1981. Therefore, the Firemen's Fund is effectively closed to new members.

Contributions to the Firemen's Fund are set forth in Arkansas statute. The City's contribution to the Firemen's Fund consists of a one mill real and personal property tax collection and an insurance premium tax turnback collected by the State Insurance Commissioner. Administrative costs are financed through Fund assets approved by the Board of Trustees. Total contributions for 2023 to the Firemen's Fund were \$484,831. The City's share of contributions was \$484,831 and included \$332,573 in property taxes and \$152,258 in state insurance premium taxes.

E. Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and includes types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The State of Arkansas Fire and Police Pension Review Board is responsible for the coordination of the actuarial valuations performed on the Policemen's and Firemen's Pension and Relief Funds. Actuarial evaluations are performed annually and the last evaluation was as of December 31, 2023.

For the December 31, 2023 actuarial valuations of each plan, the entry age cost method was used. The actuarial value of pension benefit assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The actuarial assumptions included a 5% investment rate of return (net of administrative expenses), projected salary

increases of 4.2% - 8.0%, which includes an inflation rate of 2.5% and no cost of living increases. The remaining amortization period on December 31, 2023 was 5 years using a level dollar, open basis, amortization period. The mortality assumption was based on the Pub-2010 General Below Median Income, Healthy Set forward 1 year for males and 2 years for females, projected MP-2020. There were no factors that significantly affected the identification of trends such as changes in benefits, actuarial methods or assumptions.

The actuarial assumptions used in the December 31, 2023 actuarial valuations were based on the results of an actuarial experience study for the period 2007 through 2012.

F. Net Pension Liability and Changes in Net Pension Liability

The components of the net pension liability were as follows as of December 31, 2023:

	Policemen's Fund	Firemen's Fund
Total pension liability	\$ 6,403,978	\$ 7,378,608
Plan's fiduciary net position	6,125,749	5,970,804
City's net pension liability	<u>\$ 278,229</u>	<u>\$ 1,407,804</u>
Plan's fiduciary net position as a percentage of total pension liability	95.66%	80.92%

Changes in the total pension liability, plan fiduciary net position, and the net pension liability for the year ended December 31, 2023 were as follows:

	Policemen's Pension and Relief Fund			Firemen's Pension and Relief Fund		
	Total	Plan	Net	Total	Plan	Net
	Pension Liability	Fiduciary Net Position	Pension (Asset)Liability	Pension Liability	Fiduciary Net Position	Pension Liability
Balances as of Beginning of Year	\$6,265,584	\$5,899,363	366,221	\$7,647,777	\$5,608,570	2,039,207
Changes for the year:						
Interest on total pension liability	298,540	-	298,540	364,808	-	364,808
Differences between expected and actual experience	53,471	-	53,471	69,260	-	69,260
Changes in assumptions	-	-	-	-	-	-
Employee contributions	-	-	-	-	-	-
Employer contributions	-	377,845	(377,845)	-	417,716	(417,716)
Net investment income	-	450,493	(450,493)	-	659,207	(659,207)
Benefit payments and refunds	(589,552)	(589,552)	-	(703,236)	(703,236)	-
Administrative expenses	-	(12,400)	12,400	-	(11,453)	11,453
Benefit changes	375,935	-	375,935	-	-	-
Other	-	-	-	-	-	-
Net changes	138,394	226,386	(87,992)	(269,168)	362,234	(631,402)
Balances as of End of Year	<u>\$6,403,978</u>	<u>\$6,125,749</u>	<u>278,229</u>	<u>\$7,378,608</u>	<u>\$5,970,804</u>	<u>1,407,804</u>

G. Pension Income and Expense and Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended December 31, 2023, the City recognized pension expense of \$488,484 for the Policemen's Pension and Relief Fund and pension expense of \$177,049 for the Firemen's Pension and Relief Fund, as measured in accordance with GASB Statement No. 68. On December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Policemen's Fund	
	Deferred	Deferred
	Outflows	Inflows
	of Resources	of Resources
Net difference between expected and actual earnings on pension plan investments	\$ 373,546	\$ -
Totals	\$ 373,546	\$ -
	Firemen's Fund	
	Deferred	Deferred
	Outflows	Inflows
	of Resources	of Resources
Net difference between expected and actual earnings on pension plan investments	\$ 327,217	\$ -
	\$ 327,217	\$ -

Amounts reported as deferred outflows and inflows of resources related to the Plans will be recognized in pension expense as follows:

Year			
Ending		Policemen's	Firemen's
December 31,		Fund	Fund
2024	\$	122,471	\$ 83,649
2025		130,921	161,402
2026		152,380	159,407
2027		(32,226)	(77,241)
	\$	373,546	\$ 327,217

H. Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return. The rates were built on a target allocation for all local police and fire pension funds; the target for an individual fund will vary within the guidelines of Arkansas law and regulation. The target allocation and the long-term expected rates of return are shown in the table below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	
		Policemen's	Firemen's
		Fund	Fund
Domestic fixed income	80.00%	2.25%	2.25%
Domestic equity	10.00%	4.75%	4.75%
Foreign equity	0.00%	6.25%	6.25%
Cash & equivalents	10.00%	0.25%	0.25%
Total	100.00%		

I. Discount Rate

A single discount rate of 5.0% was used to measure the total pension liability for both the Policemen's and Firemen's Pension and Relief Funds. This single discount rate was based on the expected rate of return on pension plan investments of 5.0%. The projection of cash flows, based on the assumptions made, found that the pension plan's net position was available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

J. Sensitivity to Discount Rate Changes

The following presents the net pension liability calculated using the discount rate of 5% for the Policemen’s and Firemen’s Pension and Relief Funds as well as what the net pension liability(asset) would be if it were calculated using a discount rate that is one percentage point lower (4.0%) or one percentage point higher (6.0%) than the current rate:

		1%	Current	1%
		Decrease	Discount Rate	Increase
		(4%)	(5%)	(6%)
Policemen's Pension and Relief Fund	Net pension liability (asset)	\$ 798,305	\$ 278,229	\$ (176,239)
Firemen's Pension and Relief Fund	Net pension liability	\$ 2,010,525	\$ 1,407,804	\$ 881,608

Cost Sharing Multiple-Employer Defined Benefit Pension Plans

Arkansas Public Employees Retirement System

Plan Description and Funding Information

The **Arkansas Public Employees Retirement System (“APERS”)** is a statewide cost-sharing, multiple employer pension plan established by authority of the Arkansas General Assembly with the passage of Act 177 of 1957 to provide retirement, disability, and survivor benefits for eligible employees and elected officials of state and local governmental entities in Arkansas. The plan covers all state employees who are not covered by another authorized plan, all county employees, municipal employees whose municipalities have elected coverage under the system, college and university employees and certain non-teaching school employees and other public entities specifically defined by law. The costs of administering the plan are paid out of investment earnings. At December 31, 2023, the City of Jacksonville had 136 employees enrolled in this plan.

The general administration and responsibility for the proper operation of APERS is vested in a nine-member board of trustees, which includes the State Auditor, State Treasurer, Director of the State Department of Finance and Administration, and three state and three non-state employees appointed by the Governor of Arkansas.

APERS was originally established as a contributory plan. However, with the passage of Act 793 of 1977, existing members and previous members were offered the opportunity to choose to become non-contributory members. Anyone joining the System subsequent to January 1, 1978, and had not previously been a member, was automatically enrolled as a non-contributory member. Act 2084 of 2005 provided for a new contributory program mandatory for APERS members first hired on or after July 1, 2005 and those non-contributory members who elected to become contributory. Members participating in the contributory program contribute 5.50% of their annual compensation. Active APERS members employed before July 1, 2005 were given until December 31, 2005 to elect coverage under the contributory program, or remain in the non-contributory program.

Benefit provisions are established by state law and may be amended by the Arkansas General Assembly. Members are eligible for full retirement benefits (1) at age sixty-five with five years of actual service, (2) at any age with twenty-eight years of actual service, or (3) under the old contributory plan (prior to 7/1/05), at age sixty with twenty years of actual service, or at age fifty-five with thirty-five years of credited service. The normal retirement benefit amount, paid on a monthly basis, is determined by the member’s final average salary and the number of years of service. A member may retire with a reduced benefit at age fifty-five with at least five years of actual service or at any age with twenty-five years of actual service. Members are eligible for disability benefits with five years of service. Disability benefits are paid to a surviving spouse as if the member had 5 years of service and the monthly benefit is computed as if the member had retired and

elected the Joint & 75% Survivor option. A cost-of-living adjustment of 3% of the current benefit is added each year.

Contribution requirements are set forth in Arkansas Code Annotated, Title 24, Chapter 4. The contributions are expected to be sufficient to finance the cost of benefits earned by members during the year and make a level payment that, if paid annually over a reasonable period of future years, will fully cover the unfunded costs of benefit commitments for services previously rendered (A.C.A.24-2-701) (a). Contribution provisions applicable to the participating employers are established by the APERS Board of Trustees, and are based on the actuary's determination of the rate required to fund the plan. Contributory member contribution rates were 5.50% for most covered employees and 8.00% for two elected officials for fiscal year 2023.

Detailed information about APERS's fiduciary net position is available in a separately issued APERS financial report, which may be obtained at www.apers.org/publications.

The City was required to contribute at an actuarially determined rate which was 15.32% of covered payroll for employees and 17.82% for two newly elected officials for the year ended December 31, 2023. For 2023, participating members' contributions were \$262,309 and the City's contributions were \$885,388.

Pension Liabilities, Pension Expense, and Deferred Outflows / Inflows of Resources Related to APERS

As of December 31, 2023, the City reported a liability of \$7,598,731 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability is based on actual City's contributions to the Plan relative to the actual contributions of all participating APERS members for the year ended June 30, 2023. At June 30, 2023, the City's proportion was 0.26074963%, compared to 0.2319402% for the prior year.

Pension related items are allocated between governmental and business activities on the basis of total contributions made during the year. The allocation for June 30, 2023 related pension items was 85.4% for governmental activities and 14.6% for business activities (Sanitation Services and AGFF Shooting Sports Complex Funds), which was an increase from the prior year. A deferred outflow and inflow have been recorded for each as shown below.

For the year ended December 31, 2023, the City recognized pension expense of \$1,059,358. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

APERS	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 428,933	\$ 41,744
Net differences between expected and actual earnings on pension plan investments	945,769	-
Changes of assumptions	357,234	-
Changes in proportion	483,639	38,189
Contributions subsequent to the measurement date	462,096	-
	\$ 2,677,671	\$ 79,933

The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$462,096 will be recognized as a reduction of the net pension liability for the year ended December 31, 2024. Other amounts reported as deferred outflows of resources

and deferred inflows of resources at December 31, 2023, related to the Plan will be recognized in pension expense as follows:

Year	
Ending	
December 31,	
2024	\$ 551,380
2025	378,930
2026	1,269,164
2027	(63,832)
	<u>\$ 2,135,642</u>

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2023 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2012 through June 30, 2017.

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation	June 30, 2023
Actuarial Cost Method	Entry Age Normal Level Percent-of-
Amortization Method	Payroll
Remaining Amortization	23 year
Asset Valuation Method	4-Year Smoothed Market with 25%
	Corridor
Investment rate of return	7.15%
Projected salary increase	3.25% - 9.85%
Inflation	3.25%

Long-term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the current asset allocation percentage and by adding expected price inflation. Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2023 are summarized in the table below:

APERS Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	37.00%	6.19%
International equity	24.00%	6.77%
Real assets	16.00%	3.34%
Absolute return	5.00%	3.36%
Domestic fixed	18.00%	1.79%
Total	<u>100.00%</u>	

Discount Rate

In the June 30, 2023 actuarial valuation, a single discount rate of 7.0% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.0%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

		1%	Current Single	1%
		Decrease	Rate Assumption	Increase
		(6.00%)	(7.00%)	(8.00%)
Arkansas Public Employees Retirement	Net pension liability	\$ 12,111,693	\$ 7,598,731	\$ 3,880,477

Arkansas Local Police and Fire Retirement System**Plan Description and Funding Information**

The **Local Police and Fire Retirement System (LOPFI)** is a statewide cost-sharing multiple employer defined benefit pension plan that provides retirement, disability and survivor benefits to police and fire employees of political subdivisions of the State of Arkansas. LOPFI was created by Act 364 of the 1981 General Assembly. The authority to establish and amend benefit provisions is set forth in Arkansas state statutes and is vested in the Arkansas Legislature with the concurrence of the Governor. Employees hired after January 1, 1983, whose political subdivision had a retirement system in effect at July 1, 1981, are eligible to participate in the Plan. LOPFI issues a publicly available financial report that includes financial statements and required supplementary information of the Plan, which may be obtained from the internet at www.lopfi-prb.com or by contacting the following:

Arkansas Local Police and Fire Retirement System
P.O. Drawer 34164
Little Rock, Arkansas 72203
501.682.1745

Contribution requirements are set forth in Arkansas statute. LOPFI members were required to contribute 3.5% for participating policemen and 9.5% for participating firemen of their annual covered salary. The City is required to contribute at an actuarially determined rate, which was 24.0% for participating policemen and participating firemen. City contributions for 2023 to the Plan were \$1,634,358.

Pension Liabilities, Pension Expense, and Deferred Outflows / Inflows of Resources Related to LOPFI

At December 31, 2023, the LOPFI Police and LOPFI Fire reported a liability of \$6,194,685 and \$8,629,355, respectively, for their proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The City's proportion of the net pension

liability was based on actual City contributions to the Plan during the measurement period to total employer contributions of the group for the fiscal year ended December 31, 2023. The City's proportionate share was 0.61889% and 0.86213% respectively, for LOPFI Police and LOPFI Fire compared to 0.69190% and 0.90362% respectively, for the prior year. The contributions used excluded contributions made for prior service, excess benefits and irregular payments.

For LOPFI Fire, pension related items are allocated between governmental and business activities on the basis of total contributions made during the year. The allocation for December 31, 2023 LOPFI Fire related pension items was 89.6% for governmental activities and 10.4% for business activities (Emergency Medical Services Fund) compared to 86% for governmental activities and 14% for business activities from the prior year. Deferred outflows and inflows of resources have been recorded for each as shown below.

For the year ended December 31, 2023, the LOPFI Police and LOPFI Fire recognized pension expense of \$509,485 and \$954,191, respectively. On December 31, 2023, the LOPFI Police and LOPFI Fire reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
LOPFI - Police		
Differences between expected and actual experience	\$ 759,337	\$ -
Net difference between expected and actual earnings on plan investments	573,335	-
Changes in assumptions	23,314	289,810
Changes in proportion	51,929	692,778
Total	<u>\$ 1,407,915</u>	<u>\$ 982,588</u>
LOPFI - Fire		
Differences between expected and actual experience	\$ 1,057,776	\$ -
Net difference between expected and actual earnings on plan investments	798,671	-
Changes in assumptions	32,477	403,713
Changes in proportion	-	353,942
Total	<u>\$ 1,888,924</u>	<u>\$ 757,655</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2023 related to the Plans will be recognized in pension expense as follows:

Year Ending December 31,	LOPFI Police	LOPFI Fire
2024	\$ 111,064	\$ 295,405
2025	182,265	484,782
2026	229,414	610,186
2027	(97,416)	(259,104)
	<u>\$ 425,327</u>	<u>\$ 1,131,269</u>

Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	LOPFI - Police	LOPFI - Fire
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level percentage of payroll, closed	Level percentage of payroll, closed
Remaining amortization period	14 yrs beginning 01/01/22	14 yrs beginning 01/01/22
Asset valuation method	5-year smoothed market; 20% corridor	5-year smoothed market; 20% corridor
Investment rate of return	7.50%	7.50%
Wage Inflation	3.25%	3.25%
Price Inflation	2.50%	2.50%
Salary increases	3.75%-18.25% including inflation	3.75%-18.25% including inflation

Mortality rates were based on the RP-2014 Health Annuitant, Disabled Retiree, and employee mortality tables for males and females. The tables applied credibility adjustments of 135% for males and 125% for females and were adjusted for fully generational mortality improvements using Scale MP-2016.

The actuarial assumptions used for the December 31, 2023 actuarial valuation were based on the results of an actuarial experience study for the period 2008 through 2011.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation as of December 31, 2023, these best estimates are summarized in the following table:

LOPFI Police and Fire Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Stock - Large Cap	21%	5.62%
U.S. Stock - Small Cap	21%	5.86%
International Equity	9%	6.92%
Emerging Markets	9%	8.95%
U.S. Corporate Bonds	25%	2.29%
Real Estate	5%	3.61%
Private Equity	10%	9.48%
Total	100%	

Discount Rate

A single discount rate of 7.25% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Plan assets are expected to be invested using a strategy to achieve the expected rate of return. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using a single discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower or one percent higher than the current rate:

		1%	Current	1%
		Decrease	Discount	Increase
		(6.25%)	Rate	(8.25%)
Local Police and Fire Retirement System (LOPFI)			(7.25%)	
LOPFI - Police	Net pension liability	\$ 9,710,153	\$ 6,194,682	\$ 3,351,188
LOPFI - Fire	Net pension liability	\$ 13,526,499	\$ 8,629,355	\$ 4,668,293

Note 7: Deferred Compensation Plan

The City offers its employees the option to participate in a deferred compensation plan. The purpose of the plan is to provide retirement income and other deferred benefits to City of Jacksonville employees in accordance with provisions of Section 457 of the Internal Revenue Code, as amended. The plan, available to all permanent employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City does not have any fiduciary responsibility or administrative duties relating to the deferred compensation plan other than remitting employees' contributions to the trustees. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributed to those amounts, property, or rights are held in trust by a third party for the participants. Accordingly, the City has not presented the assets and liabilities from the plan in these basic financial statements.

Note 8: Other Postemployment Benefits

General Information about the OPEB Plan

The City of Jacksonville participates in the Municipal Health Benefit Fund (MHBF), a statewide cost-sharing, multiple employer defined benefit post-employment healthcare plan administered by the Arkansas Municipal League. MHBF provides medical benefits to retired employees of participating municipalities. Arkansas statute provides that any municipal city official or employee vested in any of the City's retirement plans with 20 years of service and attains 55 years of age may continue to participate in the City's healthcare plan after retirement. The State of Arkansas has the authority to establish and amend the requirements of this statute. The City does not issue stand alone financial statements of the plan. However, all required information is presented in this report.

The contribution requirements of plan members are established by terms and conditions as set forth in the MHBF Funding Booklet. Plan members pay the entire cost of monthly insurance premiums at the same rate charged to active employees and receive a benefit from the blended premium rate from all of the employees participating in the MHBF insurance plan. The City is not required to make contributions to the plan on behalf of the retirees and funds the plan on a projected pay-as-you-go financing method. The plan has two active participants who pay monthly premiums of \$529.58 for single coverage. Total contributions for the year ending December 31, 2023 was \$14,324.

Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The components of the net OPEB liability of the City at December 31, 2023 were as follows:

	Increase (Decrease)		
	Total OPEB	Plan Fiduciary	Net OPEB
	Liability	Net Position	Liability
	(a)	(b)	(a) - (b)
Balances at January 1, 2023	\$1,139,344	\$0	1,139,344
Changes for the year:			
Service cost	73,594	-	73,594
Interest	51,969	-	51,969
Differences between expected and actual experience	-	-	-
Employer contributions	-	14,324	(14,324)
Employee contributions	-	-	-
Benefit payments	(14,324)	(14,324)	-
Change in discount rate	38,388	-	38,388
Net changes	149,627	-	149,627
Balances at December 31, 2023	\$1,288,971	\$0	\$1,288,971

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City recognized OPEB expense of \$54,015. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 606,276
Changes of assumptions	205,807	289,634
	\$ 205,807	\$ 895,910

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	
2024	\$ (71,548)
2025	\$ (71,548)
2026	\$ (71,548)
2027	\$ (71,548)
2028	\$ (71,548)
Thereafter	(332,363)
Total	\$ (690,103)

Actuarial Assumptions

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	3.00%				
Investment rate of return	4.00%				
Health care cost trend rates	8% in year 1, graded downward 0.5% per year, to 5% in year 7 and later				
Pre and post-retirement mortality	RP 2014 Mortality Table				
Base claim costs	Retiree(no Medicare) \$1,387.52, Retiree (with Medicare) \$758.57				
	Premium assumed at \$758.57 per month for net subsidy of \$628.95				
Administrative Costs	None assumed				
Family Coverage	Sponsor provide single coverage only				
Selection of coverage	85% of eligible retirees would select plan upon retirement, 15% would continue past age 65				
Voluntary terminations	Same as assumptions used by APERS				

Long-term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return. The target allocation and the long-term expected rates of return are shown in the table below:

			Long-Term Expected Real Rate of Return
Asset Class	Target Allocation		
Domestic fixed income	0.00%		0.00%
International fixed income	0.00%		0.00%
Domestic equity	0.00%		0.00%
Foreign equity	0.00%		0.00%
Cash	100.00%		2.50%
Subtotal	100.00%		2.50%
Inflation			1.50%
Total			4.00%

Discount Rate

A discount rate of 4.0% was used to measure the total OPEB liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The plan net position (assets) in future years can then be projected and compared to the obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required. The single discount rate is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and to Changes in the Healthcare Cost Trend Rates

Sensitivity of the net OPEB liability to changes in the discount rate: The following table presents the net OPEB liability of the City calculated using the single discount rate of 4.0%, as well as what the net OPEB liability would be if it were calculated using a single discount rate that is 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current rate:

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)
Net OPEB liability	\$ 1,424,579	\$ 1,288,971	\$ 1,165,104

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the net OPEB liability of the City, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trends:

	1%	Current	1%
	Decrease	Discount Rate	Increase
	in HCCTR	in HCCTR	in HCCTR
Net OPEB liability	\$ 1,104,741	\$ 1,288,971	\$ 1,514,609

Note 9: Interlocal Agreement: Central Arkansas Library System

The cities of Little Rock, Jacksonville, Maumelle, Sherwood, and Pulaski and Perry Counties entered into an agreement on January 28, 1998, to establish the public library system for the Central Arkansas area which will offer library services to the public within the communities of each of the participating entities. The agreement states that the funding will be derived from tax millage assessed by the participating entities, state formula distribution, fees and fines, and endowment fund earnings and gifts. The Board of Directors shall consist of seven directors for the City of Little Rock, one each for the Cities of Jacksonville, Maumelle and Sherwood, two directors from Pulaski County and one director representing Perry County. The City provided a building and paid \$76,854 for operating expenses in 2023. Separate financial statements of the Central Arkansas Library System are available at 100 Rock Street, Little Rock, Arkansas 72201.

Note 10: Risk Management

The City and its component units have various insurance policies to cover their potential liability risk areas (i.e., automobile, personal property, contents and outside structures, and worker's compensation). The type of coverage and the liability limits vary with each entity. Coverage is provided both commercially and through the Arkansas Municipal League (AML), which is an association of local governments. AML provides the City with automobile and legal defense. Fixed premiums are set annually by AML based on such factors as claims experience, employee class multipliers, and population. For risks covered by AML, the City pays no deductible; however, the City pays a \$3,000 fee to AML for each legal matter it handles. Coverage under these policies meets statutory liability limits and requirements, and the City's risk of loss is effectively transferred. Additionally, the City has instituted various safety programs to reduce losses. The budgeting process includes provisions for accumulating funds to cover deductibles and any minor items which would not be covered by commercially purchased policies. There have been no significant reductions in insurance coverage from 2022 to 2023 and there were no settlements that exceeded insurance coverage in the past three fiscal years.

Note 11: Property Taxes

City property taxes are levied each November 1 on the assessed value listed as of January 1 for all real and personal property located in the City. The property tax is considered due the first Monday in January (the lien date) after the levy; however, the tax is not considered delinquent until October 11 of that year. As a result, the majority of the tax is not collected within the time frame necessary to finance the liabilities of the current period. Property taxes which remain delinquent for a period of three years are certified to the land commissioner where a lien is recorded and held on file. If property taxes remain delinquent for a period of seven years, the property will be subsequently sold by the land commissioner. If proceeds from the sale are sufficient to cover all claims, the City will collect on the past due property taxes. Pulaski County is the collecting agent and remits collections to the City, net of a collection fee, on a monthly basis.

In the governmental funds, property taxes are measurable when levied even though not available. As a result, on December 31, 2023 property taxes receivable and related deferred inflows of resources of \$1,569,821 have been recorded in the governmental funds. In the government-wide statement of net position, property taxes are considered earned at the time levied. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible. The appraised value of taxable

property upon which the property tax is levied is determined by the county assessor. The assessor estimates full market value and applies the statutory rate of 20% to arrive at assessed value.

Millages available to finance City operations and for other purposes are as follows:

		Levied
	Millage	2022 for 2023
Description	Limit	Collections
General government	5.00	0.50
General government-capital improvements	-	0.50
Library capital improvement bonds	5.00	-
Firemen's Pension and Relief Fund	1.00	1.00
Policemen's Pension and Relief Fund	1.00	1.00
Roads	1.45	1.45
	<u>13.45</u>	<u>4.45</u>

Note 12: Sales Taxes

In April 1982, Pulaski County began assessing a 1% sales and use tax on retail sales in the county. Each city within Pulaski County receives a portion of the tax based upon population of the city. Currently the City receives approximately 8.276% of the county tax. The tax is collected by the state and remitted to the City, net of a collection fee. County sales taxes remitted to the City or in control of the collecting agent totaled \$8,815,491 for 2023. These taxes are included in the General Fund's sales tax revenues in the accompanying financial statements.

In March 1993, the City began assessing a 1% sales and use tax on retail sales in the City. Upon approval of the tax by the City's voters, the City rescinded its five (5) mill general property tax assessment. Revenues from the tax are used to fund capital improvements and general municipal services within the City. In November 2003, City voters approved an additional 1% sales and use tax. The City began assessing the tax in January 2004. Revenues from the additional 1% tax are to be used to construct, develop, maintain, and operate a joint education center, an outdoor family aquatics center, a training facility for the Jacksonville Police and Fire Departments, other City capital improvements and for the general operation and improvement of City facilities and services. The tax is collected by the state and remitted to the City, net of a collection fee. Taxes for this purpose remitted to the City or in control of the collecting agent totaled \$10,998,932 for 2023. These taxes are included in the General Fund's sales tax revenues in the accompanying financial statements.

Note 13: Contingencies

The City participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the *Single Audit Act* as amended. Accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

The City, its agencies, and its employees are defendants in legal proceedings, many of which normally occur in governmental operations. Most of these matters are subject to the legal representation and coverage of the Arkansas Municipal League Legal Defense Program ("Program").

The Program, a pooled risk, funded trust, provides coverage for legal defense, expenses, and damages in suits against City officials and employees and civil rights suits against the municipal government. The Program only pays judgments for actual damages (not punitive damages) imposed on municipal governments and employees. The maximum coverage of any one loss cannot exceed 25% of the Program's funded reserves at the time the lawsuit was filed or the judgment becomes final, or \$1 million, whichever is less.

The City attorney represents the City in all other actions. The City appropriates funds as necessary to meet settlements and awards. The City accrues a liability when it is incurred and when the contingency is probable and reasonably estimable.

In the opinion of the City's management and legal counsel, the amount of potential financial exposure as a result of these matters would not have a material adverse impact on the financial position of the City. However, events could occur in the near term that would cause these estimates to change materially.

Note 14: Discretely Presented Component Units

Jacksonville Municipal Water Works (JMWW)

Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023
Jacksonville Municipal Water Works				
Capital Assets, non-depreciable				
Land	\$ 1,113,986	\$ 57,117	\$ -	\$ 1,171,103
Construction in progress	5,018,903	472,575	-	5,491,478
Total capital assets, non-depreciable	6,132,889	529,692	-	6,662,581
Capital Assets, depreciable				
Utility system	61,424,836	1,909,972	-	63,334,808
LRAFB water distribution system	17,750,941	-	-	17,750,941
Buildings and improvements	2,663,393	117,360	-	2,780,753
Furniture and equipment	3,210,868	264,002	-	3,474,870
Total capital assets, depreciable	85,050,038	2,291,334	-	87,341,372
Less accumulated depreciation	34,515,431	2,773,560	-	37,288,991
Total capital assets, depreciable, net	50,534,607	(482,226)	-	50,052,381
Total capital assets, net	\$ 56,667,496	\$ 47,466	\$ -	\$ 56,714,962

Long-Term Liabilities

Long-term debt consists of Water Capital Improvement Revenue Bonds and Little Rock Air Force Base Distribution System Contingent Liability for which the changes in the year are as follows:

	Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023	Amounts Due In One Year
Jacksonville Municipal Water Works					
Water revenue bonds	\$ 6,290,351	\$ -	\$ 1,609,098	\$ 4,681,253	\$ 3,437,025
LRAFB contingent liability	9,687,660	-	1,777,327	7,910,333	-
	\$ 15,978,011	\$ -	\$ 3,386,425	\$ 12,591,586	\$ 3,437,025

The annual requirements to amortize water bond indebtedness outstanding, and scheduled, including interest are as follows:

Year	Principal	Interest	Total
2024	\$ 3,437,025	\$ 138,783	\$ 3,575,808
2025	3,479,779	96,029	3,575,808
2026	3,195,888	48,915	3,244,803
2027	1,849,830	16,242	1,866,072
2028	620,673	1,351	622,024
2029-2032	-	-	-
Total	\$ 12,583,195	\$ 301,320	\$ 12,884,515

Net Pension Liability

JMWW participates in the Arkansas Public Employees Retirement System (APERS). The general information and actuarial assumptions related to this plan can be found in *Note 6* above. See below for information about JMWW's Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At December 31, 2023, JMWW reported a liability of \$2,079,897 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. JMWW's portion of the net pension liability was based on JMWW's contributions to the pension plan relative to the total contributions of all participating APERS members. At June 30, 2023, JMWW's proportion was 0.07137144% compared to its proportion measured as of June 30, 2022 of 0.0754799%.

For the year ended December 31, 2023, JMWW recognized pension expense of \$341,502. At December 31, 2023, JMWW reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 117,406	\$ 11,426
Net differences between expected and actual earnings on pension plan investments	258,873	
Changes of assumptions	97,781	-
Changes in proportion	39,883	86,761
Contributions subsequent to the measurement date	123,666	-
	\$ 637,609	\$ 98,187

The \$123,666 reported as net pension liability at December 31, 2023, related to pensions resulting from JMWW's contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	
2024	\$ 85,583
2025	49,119
2026	298,525
2027	(17,471)
	\$ 415,756

Sensitivity of JMWW Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents JMWW proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what JMWW proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

		1% Decrease (6.00%)	Current Single Rate Assumption (7.00%)	1% Increase (8.00%)
APERS- Jacksonville Water	Net pension liability	\$ 3,315,169	\$ 2,079,897	\$ 1,062,150

Jacksonville Wastewater Utility (JWWU)

Capital Assets

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023
Jacksonville Wastewater Utility				
Capital Assets, non-depreciable				
Land	\$ 411,491	\$ 17,162	\$ -	\$ 428,653
Construction in progress	8,619,551	15,605,974	-	24,726,565
Total capital assets, non-depreciable	9,031,042	15,623,136	-	25,155,218
Capital Assets, depreciable				
Utility system	62,390,325	7,800	-	62,398,125
Buildings and improvements	2,437,312	-	-	2,437,312
Furniture and equipment	2,927,943	16,174	(319,471)	2,624,646
Total capital assets, depreciable	67,755,578	23,974	(319,471)	67,460,081
Less accumulated depreciation	42,631,597	2,077,022	(317,199)	44,391,420
Total capital assets, net	\$ 34,155,023	\$ 13,570,088	\$ (2,272)	\$ 48,223,879

Long-Term Liabilities

Long-term debt consists of Wastewater Refunding and Construction Revenue Bonds for which the changes in the year are as follows:

	Balance January 1, 2023	Increases	Decreases	Balance December 31, 2023	Amounts Due In One Year
Jacksonville Wastewater Utility					
Wastewater revenue bonds	\$ 22,135,000	\$ -	\$ 935,000	\$ 21,200,000	\$ 955,000
Less: issuance discount	(118,447)	12,194	-	(106,253)	-
	\$ 22,016,553	\$ 12,194	\$ 935,000	\$ 21,093,747	\$ 955,000

The annual requirements to amortize wastewater bond indebtedness outstanding, and scheduled, including interest are as follows:

Year	Principal	Interest	Total
2024	\$ 955,000	\$ 453,492	\$ 1,408,492
2025	970,000	438,012	1,408,012
2026	985,000	420,680	1,405,680
2027	1,005,000	400,904	1,405,904
2028	1,025,000	383,984	1,408,984
2029	1,040,000	365,510	1,405,510
2030-2034	5,530,000	1,510,422	7,040,422
2035-2039	6,195,000	843,054	7,038,054
Thereafter	3,495,000	139,946	3,634,946
Total	\$ 21,200,000	\$ 4,956,004	\$ 26,156,004

Net Pension Liability

JWWU participates in the Arkansas Public Employees Retirement System (APERS). The general information and actuarial assumptions related to this plan can be found in *Note 6* above. See below for information about JWWU’s Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At December 31, 2023, JWWU reported a liability of \$1,786,541, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. JWWU’s proportion of the net pension liability is based on the JWWU’s contributions to the pension plan relative to the contributions of all participating APERS members. At June 30, 2023, JWWU’s proportion was 0.061305% compared to its proportion measured as of June 30, 2022 of 0.063522%.

For the year ended December 31, 2023, JWWU recognized pension expense of \$283,194. At December 31, 2023, JWWU reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 222,360	\$ -
Net differences between expected and actual earnings on pension plan investments	91,032	-
Changes of assumptions	83,991	-
Changes in proportion	-	43,398
Contributions subsequent to the measurement date	88,970	-
	\$ 486,353	\$ 43,398

The \$88,970 reported as deferred outflows of resources at December 31, 2023, related to pension resulting from JWWU’s contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	
2024	\$ 73,616
2025	33,611
2026	261,764
2027	(15,006)
	\$ 353,985

Sensitivity of JWWU Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents JWWU proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what JWWU proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

		1%	Current Single	1%
		Decrease	Rate Assumption	Increase
		(6.00%)	(7.00%)	(8.00%)
APERS- Jacksonville WasteWater	Net pension liability	\$ 2,847,586	\$ 1,786,541	\$ 912,341

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF JACKSONVILLE, ARKANSAS

BUDGETARY COMPARISON SCHEDULE GENERAL FUND YEAR ENDED DECEMBER 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 795,000	\$ 826,918	\$ 854,630	\$ 27,712
Sales taxes	18,819,124	20,011,256	19,936,994	(74,262)
Licenses and permits	286,950	343,983	440,498	96,515
Intergovernmental	1,862,437	1,924,252	2,026,076	101,824
Charges for services	849,050	867,115	1,241,394	374,279
Fines and fees	280,616	306,316	333,916	27,600
Utility franchise taxes	1,197,000	1,262,046	1,252,252	(9,794)
Investment income	-	200,000	332,934	132,934
Miscellaneous	669,200	763,214	302,268	(460,946)
Total revenues	24,759,377	26,505,100	26,720,962	215,862
Expenditures				
General government				
General administration	212,216	211,972	292,348	(80,376)
City council	118,039	106,280	104,828	1,452
Mayor	280,608	314,918	314,076	842
City clerk	172,018	175,886	171,786	4,100
City attorney	319,648	317,961	310,448	7,513
District court	499,920	470,701	421,190	49,511
Director of administration	190	4,190	4,202	(12)
Director of information technology	597,497	601,773	595,925	5,848
Finance	604,253	590,234	563,122	27,112
Human resources	278,643	284,211	261,902	22,309
Fleet services	279,246	280,389	298,018	(17,629)
Community programs	373,796	383,097	161,358	221,739
Total general government	3,736,074	3,741,612	3,499,203	242,409
Public works				
Public works coordinator	133,275	163,322	162,242	1,080
Engineering	388,440	421,739	414,979	6,760
Total public works	521,715	585,061	577,221	7,840
Parks and recreation services	4,142,399	4,456,132	4,011,356	444,776
Police	7,851,891	7,640,830	6,949,411	691,419
Fire	5,940,972	6,054,756	5,775,076	279,680
Emergency communication services	1,030,620	868,513	881,750	(13,237)
Animal control	380,780	473,080	459,685	13,395
Code enforcement	521,926	525,116	340,007	185,109
Total expenditures	24,126,377	24,345,100	22,493,709	1,851,391
Excess (Deficiency) of Revenues Over Expenditures	633,000	2,160,000	4,227,253	2,067,253
Other Financing Sources (Uses)				
Transfers in	352,000	-	462	462
Transfers out	(985,000)	(2,160,000)	(4,450,092)	(2,290,092)
Total other financing sources (uses)	(633,000)	(2,160,000)	(4,449,630)	(2,289,630)
Net Change in Fund Balances	-	-	(222,377)	(222,377)
Fund Balances, Beginning of Year	9,145,058	9,145,058	9,145,058	-
Fund Balances, End of Year	\$ 9,145,058	\$ 9,145,058	\$ 8,922,681	\$ (222,377)

CITY OF JACKSONVILLE, ARKANSAS

BUDGETARY COMPARISON SCHEDULE

STREET FUND

YEAR ENDED DECEMBER 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 3,215,542	\$ 8,501,521	\$ 9,387,435	\$ 885,914
Investment income	8,000	170,000	242,899	72,899
Miscellaneous	1,500	3,386	4,570	1,184
	<u>3,225,042</u>	<u>8,674,907</u>	<u>9,634,904</u>	<u>959,997</u>
Total revenues				
	3,225,042	8,674,907	9,634,904	959,997
Expenditures				
Public works				
Streets and drainage	3,225,042	8,674,907	10,762,495	(2,087,588)
	<u>3,225,042</u>	<u>8,674,907</u>	<u>10,762,495</u>	<u>(2,087,588)</u>
Total expenditures				
	3,225,042	8,674,907	10,762,495	(2,087,588)
Excess (Deficiency) of Revenues Over Expenditures				
	-	-	(1,127,591)	(1,127,591)
Fund Balances, Beginning of Year				
	6,235,064	6,235,064	6,235,064	-
Fund Balances, End of Year				
	<u>\$ 6,235,064</u>	<u>\$ 6,235,064</u>	<u>\$ 5,107,473</u>	<u>\$ (1,127,591)</u>

CITY OF JACKSONVILLE, ARKANSAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2023

Budgets and Budgetary Accounting

By December 1 of each year, the City's Mayor is required to submit to the City Council ("Council") a proposed budget for the fiscal year beginning on the following January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted prior to adoption of the budget to allow citizen input. The state statute governing adoption of annual budgets requires the Council to approve the budget prior to February 1. For practical purposes, the Council usually adopts the budget in December. Annual budgets are legally adopted for the General Fund and the Street Fund, a special revenue fund.

The Mayor is authorized to transfer budgeted amounts within departments; however, any revisions that alter the total expenditures of any department must be approved by the Council.

Appropriations for special projects are made each year by the City Council to finance specific projects and capital outlays. These projects are carried forward each year until they are fully expended or repealed by the City Council.

The City prepares its annual operating budget on a basis consistent with accounting principles generally accepted in the United States of America ("GAAP"). Appropriations lapse at the end of each year. The *Budgetary Comparison Schedules* for the General Fund and for the Street Fund present the original and revised budget amounts in comparison to the actual revenues and expenditures for the current year.

CITY OF JACKSONVILLE, ARKANSAS

OTHER POST-EMPLOYMENT BENEFIT PLAN - REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability					
Service Cost	\$ 73,594	\$ 123,006	\$ 130,094	\$ 86,593	\$ 80,712
Interest	51,969	43,186	35,310	53,332	53,176
Changes in discount rate	38,388				-
Differences between expected and actual experience	-	(558,276)	-	(182,270)	-
Changes of assumptions	-	(257,799)	(54,148)	206,768	56,184
Benefit payments	(14,324)	(14,324)	(14,324)	(14,324)	(27,454)
Net change in total OPEB liability	149,627	(664,207)	96,932	150,099	162,618
Total OPEB liability - Beginning	1,139,344	1,803,551	1,706,619	1,556,520	1,393,902
Total OPEB liability - Ending (a)	<u>1,288,971</u>	<u>1,139,344</u>	<u>1,803,551</u>	<u>1,706,619</u>	<u>1,556,520</u>
Plan Fiduciary Net Position					
Contributions - employer	14,324	14,324	14,324	14,324	27,454
Benefit payments	(14,324)	(14,324)	(14,324)	(14,324)	(27,454)
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - Beginning	-	-	-	-	-
Plan fiduciary net position - Ending (b)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net OPEB liability - Ending (a)-(b)	<u>1,288,971</u>	<u>1,139,344</u>	<u>1,803,551</u>	<u>1,706,619</u>	<u>1,556,520</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	0%	0%	0%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net OPEB liability as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A

The information in this schedule has been determined as of the measurement date (December 31) of the City's net OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision, only periods for which such information is available are presented.

CITY OF JACKSONVILLE, ARKANSAS

OTHER POST-EMPLOYMENT BENEFIT PLAN - REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CITY CONTRIBUTIONS YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially Determined Contribution	\$ 140,572	\$ 205,412	\$ 204,848	\$ 167,401	\$ 156,481
Contributions in relation to the actuarially determined contribution	14,324	14,324	14,324	14,324	27,454
Contribution deficiency (excess)	<u>\$ 126,248</u>	<u>\$ 191,088</u>	<u>\$ 190,524</u>	<u>\$ 153,077</u>	<u>\$ 129,027</u>
Covered employee payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of employee payroll	N/A	N/A	N/A	N/A	N/A
Assumed single discount rate	4.31%	2.25%	1.93%	3.26%	3.64%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation date

Actuarially determined contributions are calculated as of December 31 after the valuation date.

Actuarial cost method

Entry Age Normal

Amortization method

Level dollar over 30 years from January 1, 2018.

Remaining amortization period

30 years

Asset valuation method

Market value

Assumed single discount rate

Shown in table above.

Assumed inflation

3.00%

Assumed retirement age

Experience-based table of rates that are specific to the type of eligibility condition

Mortality

RP 2014 Mortality Table

Other information:

The information in this schedule has been determined as of the measurement date (December 31) of the City's net OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision, only periods for which such information is available are presented.

CITY OF JACKSONVILLE, ARKANSAS

OTHER POST-EMPLOYMENT BENEFIT PLAN - REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF INVESTMENT RETURNS YEAR ENDED DECEMBER 31, 2023

Fiscal Year Ending	Annual Money- Weighted Rate of Return
12/31/2018	0%
12/31/2019	0%
12/31/2020	0%
12/31/2021	0%
12/31/2022	0%
12/31/2023	0%

Other information:

The information in this schedule has been determined as of the measurement date (December 31) of the City's net OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision, only periods for which such information is available are presented.

CITY OF JACKSONVILLE, ARKANSAS

**DEFINED BENEFIT PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2023**

Policemen's Pension and Relief Fund

Fiscal year ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:									
Interest	\$ 298,540	\$ 284,597	\$ 275,867	\$ 275,568	\$ 280,024	\$ 278,842	\$ 286,440	\$ 307,361	\$ 330,964
Changes of benefit terms	375,935	745,714	576,604	384,292	418,451	449,142	-	-	-
Difference between expected and actual experience	53,471	(182,875)	(310,704)	(152,150)	(276,719)	(184,491)	77,943	(205,160)	(266,517)
Changes in assumptions	-	-	155,297	-	-	-	-	-	-
Benefit payments, including refunds of plan member contributions	(589,552)	(547,570)	(497,377)	(506,064)	(515,688)	(524,022)	(508,690)	(532,529)	(540,476)
Net change in total pension liability	138,394	299,866	199,687	1,645	(93,933)	19,471	(144,307)	(430,328)	(476,029)
Total pension liability, beginning of year	6,265,584	5,965,719	5,766,031	5,764,386	5,858,319	5,838,848	5,983,154	6,413,482	6,889,512
Total pension liability, end of year	\$ 6,403,978	\$ 6,265,584	\$ 5,965,719	\$ 5,766,031	\$ 5,764,386	\$ 5,858,319	\$ 5,838,848	\$ 5,983,154	\$ 6,413,483
Plan fiduciary net position:									
Employer contributions	\$ 377,845	\$ 350,701	\$ 370,790	\$ 338,600	\$ 334,222	\$ 334,484	\$ 329,627	\$ 341,668	\$ 334,472
Net investment income	450,493	(592,479)	425,307	350,256	706,670	(190,014)	491,440	304,119	(140,490)
Benefit payments, including refunds of plan member contributions	(589,552)	(547,570)	(497,377)	(506,064)	(515,688)	(524,022)	(508,690)	(532,529)	(540,476)
Administrative expense	(12,400)	(16,433)	(3,100)	(8,847)	(8,778)	(8,987)	(6,932)	(6,967)	(7,706)
Other	-	(12,473)	(3,046)	2,746	250	50	9,858	150	-
Net change in plan fiduciary net position	226,386	(818,254)	292,574	176,691	516,676	(388,489)	315,303	106,441	(354,200)
Plan fiduciary net position, beginning of year	5,899,363	6,717,617	6,425,043	6,248,352	5,731,676	6,120,165	5,804,861	5,698,420	6,052,620
Plan fiduciary net position, end of year	\$ 6,125,749	\$ 5,899,363	\$ 6,717,617	\$ 6,425,043	\$ 6,248,352	\$ 5,731,676	\$ 6,120,164	\$ 5,804,861	\$ 5,698,420
City's net pension liability (asset), end of year	\$ 278,229	\$ 366,221	\$ (751,898)	\$ (659,012)	\$ (483,966)	\$ 126,643	\$ (281,316)	\$ 178,293	\$ 715,063
Plan's fiduciary net position as a percentage of the total pension liability	95.66%	94.16%	112.60%	111.43%	108.40%	97.84%	104.82%	97.02%	88.85%
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan's net pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note to the Schedule:

A full 10 year schedule will be completed as information is available.

CITY OF JACKSONVILLE, ARKANSAS

**DEFINED BENEFIT PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2023**

Firemen's Pension and Relief Fund

Fiscal year ending December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:									
Interest	\$ 364,808	\$ 385,467	\$ 382,936	\$ 408,225	\$ 431,668	\$ 454,423	\$ 464,671	\$ 481,908	\$ 528,688
Difference between expected and actual experience	69,260	(92,615)	101,022	(180,253)	(145,950)	(126,560)	126,580	91,701	(473,629)
Changes in assumptions	-	-	286,026	-	-	-	-	-	-
Benefit payments, including refunds of plan member contributions	(703,236)	(708,848)	(729,885)	(737,603)	(771,546)	(794,388)	(798,043)	(1,038,656)	(942,640)
Net change in total pension liability	(269,168)	(415,995)	40,100	(509,631)	(485,828)	(466,525)	(206,792)	(465,046)	(887,581)
Total pension liability, beginning of year	<u>7,647,777</u>	<u>8,063,772</u>	<u>8,023,672</u>	<u>8,533,304</u>	<u>9,019,132</u>	<u>9,485,657</u>	<u>9,692,449</u>	<u>10,157,495</u>	<u>11,045,076</u>
Total pension liability, end of year	<u>\$ 7,378,608</u>	<u>\$ 7,647,777</u>	<u>\$ 8,063,772</u>	<u>\$ 8,023,673</u>	<u>\$ 8,533,304</u>	<u>\$ 9,019,132</u>	<u>\$ 9,485,657</u>	<u>\$ 9,692,449</u>	<u>\$ 10,157,495</u>
Plan fiduciary net position:									
Employer contributions	\$ 417,716	\$ 375,405	\$ 465,720	\$ 444,520	\$ 435,210	\$ 388,103	\$ 380,031	\$ 418,220	\$ 399,410
Plan member contributions	-	-	-	-	-	-	-	2,191	7,017
Net investment income	659,207	(851,123)	321,461	699,386	687,769	(270,812)	658,346	176,675	(77,487)
Benefit payments, including refunds of plan member contributions	(703,236)	(708,848)	(729,885)	(737,603)	(771,546)	(794,388)	(798,043)	(1,038,656)	(942,640)
Administrative expense	(11,453)	(10,901)	(8,125)	(7,457)	(1,600)	(2,094)	(6,942)	(6,448)	(6,425)
Other	-	(10,398)	316	3,500	-	-	9,858	-	2,800
Net change in plan fiduciary net position	362,234	(1,205,865)	49,487	402,346	349,833	(679,191)	243,250	(448,017)	(617,325)
Plan fiduciary net position, beginning of year	<u>5,608,570</u>	<u>6,814,435</u>	<u>6,764,948</u>	<u>6,362,602</u>	<u>6,012,769</u>	<u>6,691,960</u>	<u>6,448,710</u>	<u>6,896,727</u>	<u>7,514,052</u>
Plan fiduciary net position, end of year	<u>\$ 5,970,804</u>	<u>\$ 5,608,570</u>	<u>\$ 6,814,435</u>	<u>\$ 6,764,948</u>	<u>\$ 6,362,602</u>	<u>\$ 6,012,769</u>	<u>\$ 6,691,960</u>	<u>\$ 6,448,710</u>	<u>\$ 6,896,727</u>
City's net pension liability, end of year	<u>\$ 1,407,804</u>	<u>\$ 2,039,207</u>	<u>\$ 1,249,337</u>	<u>\$ 1,258,725</u>	<u>\$ 2,170,702</u>	<u>\$ 3,006,363</u>	<u>\$ 2,793,697</u>	<u>\$ 3,243,739</u>	<u>\$ 3,260,768</u>
Plan's fiduciary net position as a percentage of the total pension liability	80.92%	73.34%	84.51%	84.31%	74.56%	66.67%	70.55%	66.53%	67.90%
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan's net pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note to the Schedule:

A full 10 year schedule will be completed as information is available.

CITY OF JACKSONVILLE, ARKANSAS

DEFINED BENEFIT PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS YEAR ENDED DECEMBER 31, 2023

	Year Ended December 31	Actuarially Determined Contribution (ADC)	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as % of Covered Payroll
Policemen's Pension and Relief Fund	2014	\$ 222,748	\$ 341,169	\$ (118,421)	\$ -	N/A
	2015	188,699	334,472	(145,773)	-	N/A
	2016	161,229	341,668	(180,439)	-	N/A
	2017	40,201	329,627	(289,427)	-	N/A
	2018	-	334,484	(334,484)	-	N/A
	2019	28,555	334,222	(305,667)	-	N/A
	2020	-	338,600	(338,600)	-	N/A
	2021	-	370,790	(370,790)	-	N/A
	2022	-	350,701	(350,701)	-	N/A
	2023	82,574	377,845	(295,271)	-	N/A

Key Assumptions for ADC:

Cost Method	Entry age normal
Amortization Method	Level dollar, open
Remaining Amortization	Five years
Asset Valuation	Market value of assets
Investment rate of return	5.00%
Mortality	After 2021, Pub-2010 General, Below Median Income, Healthy Set forward 1 year males, 2 years females, Projected MP-2020 (Before 2022, 1983 GAM)

	Year Ended December 31	Actuarially Determined Contribution (ADC)	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as % of Covered Payroll
Firemen's Pension and Relief Fund	2014	\$ 745,307	\$ 395,673	\$ 349,634	\$ -	N/A
	2015	796,158	399,410	396,748	-	N/A
	2016	735,223	418,220	317,003	-	N/A
	2017	731,383	380,031	351,352	-	N/A
	2018	629,910	388,103	241,807	-	N/A
	2019	677,861	435,210	242,651	-	N/A
	2020	489,440	444,520	44,920	-	N/A
	2021	283,811	465,720	(181,909)	-	N/A
	2022	281,695	375,405	(93,710)	-	N/A
	2023	459,791	417,716	42,075	-	N/A

Key Assumptions for ADC:

Cost Method	Entry age normal
Amortization Method	Level dollar, open
Remaining Amortization	Five years
Asset Valuation	Market value of assets
Investment Return/Discount	5.00%
Mortality	After 2021, Pub-2010 General, Below Median Income, Healthy Set forward 1 year males, 2 years females, Projected MP-2020 (Before 2022, 1983 GAM)

CITY OF JACKSONVILLE, ARKANSAS

COST SHARING PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2023

ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

<u>June 30</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.2607496%	0.2319402%	0.2280502%	0.2342207%	0.2257885%	0.2284472%	0.2546313%	0.2592827%	0.2593006%
City's proportionate share of the net pension liability	\$ 7,598,731	\$ 6,253,998	\$ 1,753,325	\$ 6,707,109	\$ 5,447,214	\$ 5,039,397	\$ 6,580,031	\$ 6,200,353	\$ 4,775,626
City's covered payroll	\$ 5,721,551	\$ 5,178,176	\$ 4,618,641	\$ 4,599,406	\$ 4,413,157	\$ 4,280,563	\$ 4,393,927	\$ 4,312,438	\$ 4,309,745
City's proportionate share of the net pension liability as a percentage of its covered payroll	132.81%	120.78%	37.96%	145.83%	123.43%	117.73%	149.75%	143.78%	110.81%
Plan fiduciary net position as a percentage of the total pension liability	77.94%	78.31%	93.57%	75.38%	78.55%	79.59%	75.65%	75.50%	80.39%

Notes to the Schedule:

Information in this schedule has been determined as of the measurement date (June 30 of the fiscal year) of the City's net pension liability.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

CITY OF JACKSONVILLE, ARKANSAS

COST SHARING PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2023

ARKANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM

<u>December 31</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 892,949	\$ 795,539	\$ 720,204	\$ 759,906	\$ 744,077	\$ 684,529	\$ 661,320	\$ 685,822	\$ 679,053
Contributions related to the contractually required contribution	<u>892,949</u>	<u>795,539</u>	<u>720,204</u>	<u>759,906</u>	<u>744,077</u>	<u>684,529</u>	<u>661,320</u>	<u>685,822</u>	<u>679,053</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 5,946,297	\$ 5,236,373	\$ 4,777,726	\$ 4,731,388	\$ 4,616,073	\$ 4,302,673	\$ 4,405,479	\$ 4,556,439	\$ 4,403,272
Contributions as a percent of covered payroll	15.02%	15.19%	15.07%	16.06%	16.12%	15.91%	15.01%	15.05%	15.42%

Notes to the Schedule:

Information in this schedule has been determined as of the City's most recent year-end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

CITY OF JACKSONVILLE, ARKANSAS

COST SHARING PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
YEAR ENDED DECEMBER 31, 2023

ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM

LOPFI - Police									
December 31	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.618890%	0.691900%	0.790000%	0.739420%	0.742450%	0.804420%	1.052449%	1.140590%	1.217420%
City's proportionate share of the net pension liability	\$ 6,194,682	\$ 7,387,359	\$ 3,991,977	\$ 5,083,402	\$ 5,737,215	\$ 7,258,921	\$ 7,478,672	\$ 6,507,408	\$ 6,388,710
City's covered payroll	\$ 3,008,613	\$ 3,202,718	\$ 3,141,095	\$ 2,966,189	\$ 2,721,171	\$ 2,835,601	\$ 3,458,671	\$ 3,506,494	\$ 3,535,137
City's proportionate share of the net pension liability as a percentage of its covered payroll	205.90%	230.66%	127.09%	171.38%	210.84%	255.99%	216.23%	185.58%	180.72%
Plan fiduciary net position as a percentage of the total pension liability	73.57%	69.07%	84.75%	77.79%	73.03%	65.84%	71.17%	72.46%	72.41%

LOPFI - Fire									
December 31	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.862130%	0.903620%	0.943190%	0.947950%	0.926060%	0.937480%	0.947852%	1.038400%	0.989380%
City's proportionate share of the net pension liability	\$ 8,629,355	\$ 9,647,917	\$ 4,766,058	\$ 6,517,008	\$ 7,156,028	\$ 8,459,642	\$ 6,735,410	\$ 5,924,363	\$ 5,192,039
City's covered payroll	\$ 4,073,063	\$ 3,836,020	\$ 3,728,943	\$ 3,636,433	\$ 3,380,971	\$ 3,417,168	\$ 3,443,817	\$ 3,369,089	\$ 3,322,435
City's proportionate share of the net pension liability as a percentage of its covered payroll	211.86%	251.51%	127.81%	179.21%	211.66%	247.56%	195.58%	175.84%	156.27%
Plan fiduciary net position as a percentage of the total pension liability	73.57%	69.07%	84.75%	77.79%	73.03%	65.84%	71.17%	72.46%	72.41%

Notes to the Schedule:

Information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

CITY OF JACKSONVILLE, ARKANSAS

COST SHARING PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS YEAR ENDED DECEMBER 31, 2023

ARKANSAS LOCAL POLICE AND FIRE RETIREMENT SYSTEM

LOPFI - Police									
December 31	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 682,967	\$ 670,976	\$ 720,800	\$ 654,109	\$ 619,463	\$ 713,355	\$ 752,784	\$ 779,997	\$ 755,994
Contributions related to the contractually required contribution	682,967	670,976	720,800	654,109	619,463	713,355	752,784	779,997	755,994
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,008,613	\$ 3,202,718	\$ 3,141,095	\$ 2,966,189	\$ 2,721,171	\$ 2,835,601	\$ 3,458,671	\$ 3,506,494	\$ 3,535,137
Contribution as a percent of covered payroll	22.70%	20.95%	22.95%	22.05%	22.76%	25.16%	21.77%	22.24%	21.39%
LOPFI - Fire									
December 31	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 951,391	\$ 876,297	\$ 859,014	\$ 838,281	\$ 772,808	\$ 760,297	\$ 678,135	\$ 686,207	\$ 614,388
Contributions related to the contractually required contribution	951,391	876,297	859,014	838,281	772,808	760,297	678,135	686,207	614,388
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 4,073,063	\$ 3,836,020	\$ 3,728,943	\$ 3,636,433	\$ 3,380,971	\$ 3,417,168	\$ 3,443,817	\$ 3,369,089	\$ 3,322,435
Contribution as a percent of covered payroll	23.36%	22.84%	23.04%	23.05%	22.86%	22.25%	19.69%	20.37%	18.49%

Notes to the Schedule:

Information in this schedule has been determined as of the City's most recent year-end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled under the provisions of GASB 68, the City will only present available information.

CITY OF JACKSONVILLE, ARKANSAS

DEFINED BENEFIT PENSION PLANS - REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF INVESTMENT RETURNS YEAR ENDED DECEMBER 31, 2023

	Fiscal Year Ending	Annual Money-weighted Rate of Return
Policemen's Pension and Relief Fund	12/31/2023	7.78%
	12/31/2022	-9.15%
	12/31/2021	6.69%
	12/31/2020	5.68%
	12/31/2019	12.54%
	12/31/2018	(3.16%)
	12/31/2017	8.78%
	12/31/2016	5.43%
	12/31/2015	(2.36%)
	12/31/2014	3.72%
Firemen's Pension and Relief Fund	12/31/2023	12.07%
	12/31/2022	-13.00%
	12/31/2021	4.85%
	12/31/2020	11.25%
	12/31/2019	11.77%
	12/31/2018	(4.17%)
	12/31/2017	10.71%
	12/31/2016	2.68%
	12/31/2015	(1.07%)
	12/31/2014	2.58%

Notes to Schedule:

The amounts shown are net of investment expenses.

The actuary calculated these rates using the provided information: therefore, these are annual money-weighted rates. Monthly money-weighted returns were not available.



NONMAJOR GOVERNMENTAL FUNDS

The **Special Revenue Funds** account for resources which are designated by law or contractual agreement for particular functions or activities and are legally required to be accounted for in separate funds. Such resources are derived from specific taxes, federal grant and entitlement monies, and multi-year appropriations.

Community Development Block Grant Fund (CDBG) – Accounts for CDBG grant funds received from the U.S. Department of Housing and Urban Development. These revenues are restricted to expenditure for providing housing or housing assistance provided to qualifying citizens, improvements to neighborhood streets and drainage.

HOME Investment Partnership Program Fund (HOME) – Accounts for HOME grant funds received from the U.S. Department of Housing and Urban Development and passed through the Arkansas Development Finance Authority. These revenues provide assistance for affordable housing to qualifying citizens.

Grants Fund – Accounts for grant funds received for various programs. These monies are expended to satisfy purposes as outlined by each federal or state program.

Asset Forfeiture Fund – Accounts for funds received from asset forfeiture programs. These monies are restricted for expenditures for assistance in drug enforcement activities.

The **Capital Projects Fund** accounts for the acquisition or construction of major capital assets from the proceeds from general obligation bond issues and other financing sources.

2020 Capital Improvements Construction – The 2020 Capital Improvement Construction fund holds the net proceeds from the 2020 Capital Improvements and Refunding Bonds issued in 2020.

The **Debt Service Funds** account for the accumulation of resources for the payment of principal and interest on general long-term debt.

2006 Library Debt Service – The 2006 Library Construction Bonds were issued for the purpose of acquiring, constructing, and equipping capital improvements to the public city library operated by the City and the Central Arkansas Library System. The Series 2006 bonds are limited tax general obligations, payable solely from a 1.0 mil annual ad valorem tax and the pro-rata portion of the proceeds of the sales and use tax implemented pursuant to Amendment 79 to the Arkansas Constitution.

2020 Capital Improvements Debt Service – The 2020 Capital Improvement and Refunding Bonds were issued for the purpose of rehabilitation of the court facilities, construction of a new City Mechanic shop, repairs to the roof at the Public Safety building, purchase of a shot curtain for the Shooting Range, and refunding the 2015 Capital Improvement and Refunding Bonds. The Series 2020 bonds are limited tax general obligations, payable solely from franchise fees collected from public utilities for the privilege of using the City's streets' right-of-way and other public places in the City.

CITY OF JACKSONVILLE, ARKANSAS

COMBINING BALANCE SHEET
GOVERNMENTAL FUNDS - NONMAJOR
DECEMBER 31, 2023

	Special Revenue					Capital Project	Debt Service		Total
	CDBG	HOME	Disaster Relief	Grants	Asset Forfeiture	2020 Capital Improvements Construction	2006 Library Debt Service	2020 Capital Improvements Debt Service	
Assets									
Cash	\$ 68,808	\$ 48,133	\$ 3,704	\$ 64,325	\$ -	\$ -	\$ -	\$ -	\$ 184,970
Restricted cash	-	-	-	-	34,256	119,197	-	506,301	659,755
Accounts receivable	63,933	-	-	-	-	-	55	-	63,988
Grants and other governments	-	-	-	-	-	-	-	-	-
Due from other funds	1	-	-	-	17,489	8,643	-	-	26,133
Total Assets	\$ 132,742	\$ 48,133	\$ 3,704	\$ 64,325	\$ 51,745	\$ 127,841	\$ 55	\$ 506,301	\$ 934,847
Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 830	\$ 85	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 915
Due to other funds	133,759	-	-	1,162	-	-	-	8,643	143,564
Accrued wages payable	1,502	-	-	-	-	-	-	-	1,502
Deferred revenue	-	-	-	-	-	-	-	-	-
Other liabilities	343	-	-	-	-	-	-	-	343
Total liabilities	136,434	85	-	1,162	-	-	-	8,643	146,324
Fund Balances									
Restricted:									
Debt service	-	-	-	-	-	127,841	55	497,658	625,554
Law enforcement activities	-	-	-	-	51,745	-	-	-	51,745
Housing and neighborhood programs	-	48,048	3,704	-	-	-	-	-	51,752
Grant funds	-	-	-	63,164	-	-	-	-	63,164
Capital projects	-	-	-	-	-	-	-	-	-
Unassigned(dificit)	(3,693)	-	-	-	-	-	-	-	(3,693)
Total fund balances	(3,693)	48,048	3,704	63,164	51,745	127,841	55	497,658	788,522
Total Liabilities and Fund Balances	\$ 132,742	\$ 48,133	\$ 3,704	\$ 64,325	\$ 51,745	\$ 127,841	\$ 55	\$ 506,301	\$ 934,847

CITY OF JACKSONVILLE, ARKANSAS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS - NONMAJOR YEAR ENDED DECEMBER 31, 2023

	Special Revenue					Capital Project	Debt Service		Total
	CDBG	HOME	Disaster Relief	Grants	Asset Forfeiture	2020 Capital Improvements Construction	2006 Library Debt Service	2020 Capital Improvements Debt Service	
Revenues									
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 481	\$ -	\$ 481
Intergovernmental	171,464	-	-	130,301	129,271	-	-	-	431,036
Investment income	-	-	-	-	-	17,711	-	22,525	40,236
Miscellaneous	1	-	20,700	-	-	-	-	-	20,701
Total revenues	171,465	-	20,700	130,301	129,271	17,711	481	22,525	492,454
Expenditures									
General Administration	-	-	-	-	-	4,424	-	-	4,424
Community programs	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Parks and recreation services	-	-	-	-	-	273,751	-	-	273,751
Police	-	-	-	125,785	98,582	-	-	-	224,367
Fire	-	-	-	-	-	-	-	-	-
Emergency communication services	-	-	-	-	-	-	-	-	-
Animal Control	-	-	-	-	-	-	-	-	-
Housing and neighborhood programs	170,275	1,893	16,996	52,490	-	-	-	-	241,654
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	350,000	350,000
Interest	-	-	-	-	-	-	-	155,906	155,906
Agent fees	-	-	-	-	-	-	-	1,000	1,000
Issuance costs	-	-	-	-	-	-	-	-	-
Total expenditures	170,275	1,893	16,996	178,275	98,582	278,175	-	506,906	1,251,101
Excess (Deficiency) of Revenues Over Expenditures	1,190	(1,893)	3,704	(47,974)	30,689	(260,464)	481	(484,381)	(758,648)
Other Financing Sources									
Transfers in	-	-	-	37,935	-	-	-	512,156	550,091
Transfers out	-	-	-	-	-	-	(462)	-	(462)
Total other financing sources	-	-	-	37,935	-	-	(462)	512,156	549,629
Net Change in Fund Balances	1,190	(1,893)	3,704	(10,038)	30,689	(260,464)	19	27,775	(209,018)
Fund Balances, Beginning of Year-as previously reported	(4,885)	49,941	-	73,202	21,056	388,305	36	469,883	997,538
Fund Balances, End of Year	\$ (3,693)	\$ 48,048	\$ 3,704	\$ 63,164	\$ 51,745	\$ 127,841	\$ 55	\$ 497,658	\$ 788,522



FIDUCIARY FUNDS

Pension Trust Funds

Pension Trust Funds account for assets held in the Policemen's Pension and Relief Fund and the Firemen's Pension and Relief Fund. Fund trustees must act in accordance with the specific purposes and terms of these retirement plans.

Custodial Funds

The **Custodial Funds** account for activities associated with collecting and disbursing fines, court costs, forfeitures and restitution monies for the District Court.

CITY OF JACKSONVILLE, ARKANSAS

COMBINING STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS DECEMBER 31, 2023

	Employee Retirement Plans			Custodial Funds		
	Policemen's Pension And Relief Fund	Firemen's Pension And Relief Fund	Total	District Court Fines and Forfeitures Fund	District Court Restitution Fund	Total
Assets						
Cash and cash equivalents	\$ 257,167	\$ 342,278	\$ 599,445	\$ (1,491)	\$ 1,524	\$ 33
Investments						
U.S. Government obligations	1,547,555	2,626,319	4,173,874	-	-	-
Corporate bonds	802,687	-	802,687	-	-	-
Mutual funds	3,469,946	2,946,185	6,416,131	-	-	-
Receivables						
Due from other funds	35,474	35,474	70,948	-	100	100
Accrued interest	15,507	20,317	35,824	-	-	-
Total assets	<u>\$ 6,128,336</u>	<u>\$ 5,970,573</u>	<u>\$ 12,098,909</u>	<u>\$ (1,491)</u>	<u>\$ 1,624</u>	<u>\$ 133</u>
Net Position						
Restricted for:						
Pensions	6,128,336	5,970,573	12,098,909	-	-	-
Individuals and organizations	-	-	-	(1,491)	1,624	133
Total net position	<u>\$ 6,128,336</u>	<u>\$ 5,970,573</u>	<u>\$ 12,098,909</u>	<u>\$ (1,491)</u>	<u>\$ 1,624</u>	<u>\$ 133</u>

CITY OF JACKSONVILLE, ARKANSAS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED DECEMBER 31, 2023

	Employee Retirement Plans			Custodial Funds		
	Policemen's Pension And Relief Fund	Firemen's Pension And Relief Fund	Total	District Court Fines and Forfeitures Fund	District Court Restitution Fund	Total
Additions						
Contributions						
Employer	\$ 45,043	\$ -	\$ 45,043	\$ -	\$ -	\$ -
Plan members	-	-	-	-	-	-
Contributed from General Fund						
Property taxes	332,573	332,573	665,146	-	-	-
State insurance turnback and guarantee fund	46,088	152,258	198,346	-	-	-
Court fines & forfeitures	-	-	-	419,453	-	419,453
Restitution	-	-	-	-	-	-
Total contributions	<u>423,704</u>	<u>484,831</u>	<u>908,535</u>	<u>419,453</u>	<u>-</u>	<u>419,453</u>
Investment income						
Net increase(decrease) in fair value of investments	447,224	478,447	925,672	-	-	-
Interest and dividends	161,501	184,404	345,905	-	-	-
Gain on sale of investments	8,159	48,629	56,788	-	-	-
	<u>616,885</u>	<u>711,480</u>	<u>1,328,365</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less investment expense	<u>56,337</u>	<u>62,123</u>	<u>118,460</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net investment income	<u>560,548</u>	<u>649,357</u>	<u>1,209,905</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total additions	<u>984,252</u>	<u>1,134,188</u>	<u>2,118,439</u>	<u>419,453</u>	<u>-</u>	<u>419,453</u>
Deductions						
Benefits paid directly to participants	635,640	770,580	1,406,220	-	-	-
District Court fines distributed	-	-	-	441,429	-	441,429
Administrative expenses	12,400	5,000	17,400	-	-	-
Total deductions	<u>648,040</u>	<u>775,580</u>	<u>1,423,620</u>	<u>441,429</u>	<u>-</u>	<u>441,429</u>
Change in Net Position	336,212	358,608	694,819	(21,976)	-	(21,976)
Net Position Restricted, Beginning of Year	5,792,124	5,611,965	11,404,089	20,485	1,624	22,109
Net Position Restricted , End of Year	<u>\$ 6,128,336</u>	<u>\$ 5,970,573</u>	<u>\$ 12,098,909</u>	<u>\$ (1,491)</u>	<u>\$ 1,624</u>	<u>\$ 133</u>



DISCRETELY PRESENTED COMPONENT UNITS

CITY OF JACKSONVILLE, ARKANSAS

COMBINING STATEMENT OF CASH FLOWS DISCRETELY PRESENTED COMPONENT UNITS YEAR ENDED DECEMBER 31, 2023

	Jacksonville Municipal Water Works	Jacksonville Wastewater Utility	Nonmajor Component Unit Advertising and Promotion Commission	Total
Operating Activities				
Receipts from customers	\$ 8,758,876	\$ 4,460,126	\$ -	\$ 13,219,002
Other receipts	4,672,547	82,811	-	4,755,358
Payments to employees	(2,715,685)	(2,068,128)	-	(4,783,813)
Payments to suppliers	(1,585,378)	(806,917)	(1,657)	(2,393,952)
Payments to service providers	(182,215)	(207,783)	(874,589)	(1,264,587)
Other payments	(3,131,451)	-	-	(3,131,451)
Net cash provided by (used in) operating activities	5,816,694	1,460,109	(876,246)	6,400,557
Noncapital Financing Activities				
Local tax levy supporting operations	-	-	1,142,229	1,142,229
Capital and Related Financing Activities				
Purchase of capital assets	(2,773,743)	(11,482,255)	-	(14,255,998)
Proceeds from issuance of long-term debt	-	-	-	-
Bond issuance costs	-	-	-	-
Principal paid on long-term debt	(3,386,425)	(935,000)	-	(4,321,425)
Interest paid on long-term debt	(176,948)	(472,620)	-	(649,568)
Net cash provided by (used in) capital and related financing activities	(6,337,116)	(12,889,875)	-	(19,226,991)
Investing Activities				
Proceeds from maturities of cash investments	2,187,456	-	507,444	2,694,900
Purchase of cash investments	(1,071,780)	5,737,286	(1,024,619)	3,640,887
Interest received	77,470	366,510	30,566	474,546
Net cash provided by (used in) investing activities	1,193,146	6,103,796	(486,610)	6,810,332
Net Increase in Cash and Cash Equivalents	672,724	(5,325,970)	(220,627)	(4,873,873)
Cash and Cash Equivalents, Beginning of Year	2,731,321	6,886,800	854,113	10,472,234
Cash and Cash Equivalents, End of Year	\$ 3,404,045	\$ 1,560,830	\$ 633,486	\$ 5,598,361
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities				
Operating income (loss)	\$ (1,053,915)	\$ (735,483)	\$ (988,836)	\$ (2,778,234)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation and amortization expense	2,773,560	2,077,022	-	4,850,582
Closure and post-closure care costs	-	206,357	-	206,357
Accrued pension liability	-	-	-	-
(Gain) loss on disposal of capital assets	-	-	-	-
Amortization of deferred expenses	89,038	-	-	89,038
Other income, net	4,672,547	-	-	4,672,547
Changes in operating assets and liabilities				
Receivables, net	(292,689)	(305,359)	-	(598,048)
Revenues earned and unbilled	-	-	-	-
Prepaid expenses	(212,513)	(1,426)	-	(213,939)
Inventories	(240,855)	(21,284)	-	(262,139)
Due to other entities	125,326	-	-	125,326
Accounts payable	(159,026)	156,412	112,590	109,976
Accrued pension liability	44,669	-	-	44,669
Accrued expenses	9,211	8,841	-	18,052
Customer deposits	11,997	-	-	11,997
Deferrals related to pensions	49,344	75,029	-	124,373
Other liabilities	-	-	-	-
Net cash provided by (used in) operating activities	\$ 5,816,694	\$ 1,460,109	\$ (876,246)	\$ 6,400,557
Presented on the Statement of Fund Net Position- Proprietary Funds as Follows:				
Current assets				
Cash and cash equivalents	\$ 3,403,460	\$ 168,826	\$ 633,486	\$ 4,205,772
Restricted for bond requirements-cash and cash equivalents	-	193,589	-	193,589
Restricted for capital assets-cash and cash equivalents	585	-	-	585
Noncurrent assets				
Cash and cash equivalents	-	1,198,415	-	1,198,415
Total Cash and Cash Equivalents	\$ 3,404,045	\$ 1,560,830	\$ 633,486	\$ 5,598,361

Supplemental Disclosure of Noncash, Capital and Financing Activities

Jacksonville Municipal Water Works accepted utility property constructed by private developers. The fair value of this donated property in 2023 was \$47,283

During 2023, Jacksonville Wastewater Utility accepted utility property constructed by private developers. The fair value of this donated property was \$4,665,895

City of Jacksonville, Arkansas
STATISTICAL SECTION

This section of the City of Jacksonville, Arkansas' comprehensive annual financial report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information reflect about the City's overall financial health.

Contents	Page
Financial Trends (Tables 1-5)	108
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity (Tables 6-10)	118
These schedules contain information to help the reader assess the City's most significant local revenue source, the sales tax.	
Debt Capacity (Tables 11-15)	123
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information (Tables 16-17)	129
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information (Tables 18-20)	131
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

CITY OF JACKSONVILLE, ARKANSAS

NET POSITION BY COMPONENT LAST TEN YEARS (Accrual Basis of Accounting)

	<u>2014</u>	<u>2015 (1)</u>	<u>2016</u>	<u>2017(2)</u>
Governmental activities				
Net investment in capital assets	\$ 42,843,428	\$ 43,120,490	\$ 42,125,123	\$ 37,788,738
Restricted	1,831,423	6,086,120	4,161,056	4,759,509
Unrestricted (deficit)	2,694,078	(12,819,219)	(14,319,749)	(15,403,962)
Total governmental activities net position	<u>\$ 47,368,930</u>	<u>\$ 36,387,390</u>	<u>\$ 31,966,430</u>	<u>\$ 27,144,285</u>
Business-type activities				
Net investment in capital assets	\$ 989,853	\$ 1,366,575	\$ 1,820,668	\$ 5,284,651
Unrestricted	1,673,821	871,967	328,090	178,852
Total business-type activities net position	<u>\$ 2,663,674</u>	<u>\$ 2,238,542</u>	<u>\$ 2,148,758</u>	<u>\$ 5,463,502</u>
Primary government				
Net investment in capital assets	\$ 43,833,282	\$ 44,487,065	\$ 43,945,791	\$ 43,073,389
Restricted	1,831,423	6,086,120	4,161,056	4,759,509
Unrestricted (deficit)	4,367,899	(11,947,253)	(13,991,659)	(15,225,111)
Total primary government net position	<u>\$ 50,032,604</u>	<u>\$ 38,625,934</u>	<u>\$ 34,115,188</u>	<u>\$ 32,607,787</u>

(1) During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27", which significantly revises accounting for pension costs and liabilities. The adoption of GASB 68 resulted in a significant decrease of unrestricted net position of the governmental activities.

(2) During 2017, the AGFF Shooting Sports Complex was moved into an enterprise fund from the General Fund.

Table 1

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 35,873,213	\$ 34,351,016	\$ 27,537,475	\$ 32,470,428	\$ 32,185,537	\$ 43,005,653
5,023,813	5,284,005	13,674,802	8,981,135	7,534,266	6,868,854
(15,340,558)	(14,372,828)	(14,134,802)	(6,677,429)	(395,787)	790,042
<u>\$ 25,556,468</u>	<u>\$ 25,262,192</u>	<u>\$ 27,077,475</u>	<u>\$ 34,774,135</u>	<u>\$ 39,324,016</u>	<u>\$ 50,664,549</u>
\$ 5,080,941	\$ 5,050,271	\$ 5,627,241	\$ 5,209,383	\$ 5,084,462	\$ 5,306,306
(193,393)	347,011	(115,618)	1,124,610	1,274,703	(385,922)
<u>\$ 4,887,549</u>	<u>\$ 5,397,282</u>	<u>\$ 5,511,623</u>	<u>\$ 6,333,993</u>	<u>\$ 6,359,165</u>	<u>\$ 4,920,384</u>
\$ 40,954,154	\$ 39,401,287	\$ 33,164,716	\$ 37,679,811	\$ 37,270,000	\$ 48,311,960
5,023,813	5,284,005	13,674,802	8,981,135	7,534,266	6,868,854
(15,533,950)	(14,025,817)	(14,250,420)	(5,552,819)	878,916	404,120
<u>\$ 30,444,016</u>	<u>\$ 30,659,475</u>	<u>\$ 32,589,098</u>	<u>\$ 41,108,127</u>	<u>\$ 45,683,181</u>	<u>\$ 55,584,933</u>

CITY OF JACKSONVILLE, ARKANSAS

**CHANGES IN NET POSITION,
LAST TEN YEARS
(Accrual Basis of Accounting)**

	<u>2014</u>	<u>2015 (1)</u>	<u>2016</u>	<u>2017</u>
Expenses				
Governmental activities:				
General administration	\$ 538,999	\$ 569,284	\$ 556,838	\$ 557,064
City council	129,174	137,959	127,096	135,390
Office of the mayor	239,117	242,586	268,762	257,366
City clerk	137,910	133,400	156,334	137,719
City attorney	177,245	175,033	169,206	265,883
District court	340,907	339,984	363,278	327,002
Director of administration	114,063	108,044	129,570	168,666
Information technology	233,713	215,326	344,072	281,286
Finance	470,372	468,408	523,413	480,310
Human resources	227,865	223,741	234,627	182,619
Fleet services	151,582	142,922	155,398	151,475
Community programs	193,128	156,941	410,863	247,008
Public works	2,247,748	2,832,455	2,987,291	3,134,679
Parks and recreation services	3,381,026	3,547,411	4,109,087	2,875,561
Police	7,507,452	7,129,333	9,125,283	7,531,016
Fire	4,498,167	3,985,677	5,744,534	5,465,496
Emergency communication services	1,035,881	980,293	1,103,149	1,026,272
Animal control	318,606	296,316	329,470	307,420
Housing and neighborhood programs	239,470	200,669	240,454	216,681
Interest expense on long term debt	224,750	209,386	262,728	242,525
Agent fees on long-term debt	-	33,833	6,844	6,990
Debt issuance costs	-	145,014	-	-
Total governmental activities expenses	<u>22,407,174</u>	<u>22,274,017</u>	<u>27,348,297</u>	<u>23,998,428</u>
Business-type activities				
Sanitation services	1,459,139	1,516,551	1,575,392	2,001,844
Shooting complex services	-	-	813,554	657,188
Emergency medical services	2,005,367	2,472,158	1,994,625	2,323,196
Total business-type activities expenses	<u>3,464,506</u>	<u>3,988,709</u>	<u>4,383,571</u>	<u>4,982,228</u>
Total primary government expenses	<u>\$ 25,738,523</u>	<u>\$ 31,337,006</u>	<u>\$ 28,381,999</u>	<u>\$ 28,289,592</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General administration	\$ 183,919	\$ 365,550	\$ 259,848	\$ 443,992
District court	812,509	561,363	533,596	473,217
Finance	20,001	29,001	28,001	29,001
Fleet services	22,950	35,338	33,602	30,990
Public works	87,505	118,729	178,305	101,345
Parks and recreation services	980,103	1,024,897	1,037,505	690,777
Police	25,464	92,562	46,142	82,007
Fire	1,968	600	616	6,218
Emergency communication services	221,994	221,144	224,805	227,063
Animal control	24,415	18,770	10,508	10,444
Housing and neighborhood programs	67,693	53,217	300	45,973
Operating grants and contributions	4,598,762	4,145,981	4,413,390	4,300,118
Capital grants and contributions	211,790	933,951	259,177	111,000
Total governmental activities program revenues	<u>7,259,074</u>	<u>7,601,103</u>	<u>7,025,795</u>	<u>6,552,145</u>
Business-type activities				
Sanitation services	1,847,490	1,881,351	1,825,540	1,854,628
AGFF Shooting sports complex	-	-	-	361,463
Emergency medical services	1,387,624	1,550,301	1,579,660	1,743,946
Operating grants and contributions	-	12,460	11,947	15,855
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>3,235,114</u>	<u>3,444,112</u>	<u>3,417,147</u>	<u>3,975,892</u>
Total primary government program revenues	<u>\$ 10,494,188</u>	<u>\$ 11,045,215</u>	<u>\$ 10,442,942</u>	<u>\$ 10,528,038</u>

(1) During 2015, the City adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27", which significantly revises accounting for pension costs and liabilities. The adoption of GASB 68 resulted in a significant decrease of unrestricted net position of the governmental activities.

Table 2

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	588,492	\$ 536,219	\$ 346,671	\$ 869,946	\$ 1,518,970	\$ 1,431,722
	115,767	102,366	103,693	128,940	120,304	107,058
	235,751	264,799	276,279	250,495	275,040	327,781
	132,710	149,541	158,409	134,299	162,761	182,255
	195,078	263,203	290,918	309,963	275,491	326,922
	288,647	410,884	343,938	49,467	241,420	441,384
	66,589	60,483	45,752	15,661	22,033	4,425
	328,045	396,834	517,127	523,392	553,160	630,080
	476,826	520,396	454,295	449,424	538,629	591,220
	173,136	179,466	220,407	209,005	245,024	277,197
	144,414	143,021	145,368	119,686	215,963	312,690
	197,863	236,212	194,578	209,140	229,655	196,992
	2,802,632	3,167,610	2,781,187	2,563,369	3,780,051	3,134,758
	2,688,822	3,053,109	3,117,949	3,160,003	3,686,218	3,158,197
	6,757,932	6,377,452	6,582,987	6,354,770	7,717,298	7,781,131
	6,345,142	5,840,076	5,376,174	5,498,885	6,336,582	5,800,082
	1,001,230	1,108,903	1,028,641	1,039,125	988,077	1,236,014
	285,996	336,284	313,737	317,201	323,043	614,807
	252,044	370,280	586,642	418,147	568,209	266,214
	223,214	199,807	184,860	166,827	164,882	155,984
	7,035	6,741	1,912	1,000	-	-
	-	-	93,773	46,633	-	-
	<u>23,307,364</u>	<u>23,723,687</u>	<u>23,165,297</u>	<u>22,835,378</u>	<u>27,962,808</u>	<u>26,976,913</u>
	2,001,844	2,030,667	1,761,166	1,339,894	1,846,007	2,839,889
	657,188	565,546	440,421	503,605	573,137	693,531
	2,323,196	2,254,304	2,866,716	2,467,226	2,610,331	3,296,840
	<u>4,982,228</u>	<u>4,850,517</u>	<u>5,068,303</u>	<u>4,310,725</u>	<u>5,029,475</u>	<u>6,830,260</u>
\$	<u>28,289,592</u>	<u>28,574,204</u>	<u>28,233,600</u>	<u>27,146,103</u>	<u>32,992,283</u>	<u>33,807,173</u>
\$	311,026	\$ 434,576	\$ 338,876	\$ 279,167	\$ 368,764	\$ 575,734
	435,533	364,662	264,705	257,752	318,805	260,013
	29,001	29,001	33,000	33,000	18,000	18,000
	28,920	31,583	26,586	29,156	30,279	31,697
	73,919	106,416	183,061	61,425	76,676	64,129
	688,960	640,172	455,925	621,264	673,767	832,607
	69,432	103,226	45,670	96,953	32,831	95,904
	2,956	2,756	200	200	-	-
	237,118	309,191	488,849	483,989	472,618	363,176
	4,865	20,495	8,530	8,353	12,448	1,279
	46,020	20	24,928	-	17,618	1
	4,242,826	2,031,400	3,031,255	4,620,971	4,881,168	2,190,718
	406,260	3,048,158	2,846,079	3,039,639	3,932,073	9,432,919
	<u>6,576,836</u>	<u>7,121,656</u>	<u>7,747,664</u>	<u>9,531,869</u>	<u>10,835,045</u>	<u>13,866,178</u>
	1,885,890	1,591,723	1,911,169	1,941,895	1,946,651	1,951,757
	332,942	405,152	197,871	301,451	346,400	350,207
	1,739,613	2,132,153	2,109,681	2,147,367	2,315,682	2,275,892
	13,893	16,171	74,465	38,363	23,715	19,959
	-	-	-	-	-	-
	<u>3,972,338</u>	<u>4,145,199</u>	<u>4,293,186</u>	<u>4,429,076</u>	<u>4,632,448</u>	<u>4,597,815</u>
\$	<u>10,549,174</u>	<u>11,266,855</u>	<u>12,040,851</u>	<u>13,960,945</u>	<u>15,467,493</u>	<u>18,463,993</u>

(continued)

CITY OF JACKSONVILLE, ARKANSAS

**CHANGES IN NET POSITION,
LAST TEN YEARS (Continued)
(Accrual Basis of Accounting)**

	2014	2015 (1)	2016	2017
Net (expense)/revenue				
Governmental activities	\$ (15,148,100)	\$ (14,672,914)	\$ (20,322,502)	\$ (17,446,283)
Business-type activities	(163,735)	(20,394)	(571,562)	(407,679)
Total primary government net expense	<u>\$ (15,311,835)</u>	<u>\$ (14,693,308)</u>	<u>\$ (20,894,064)</u>	<u>\$ (17,853,962)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
General property taxes	\$ 838,864	\$ 845,840	\$ 871,178	\$ 821,693
Sales taxes	13,406,409	13,798,792	13,781,154	14,013,579
Utility franchise taxes	1,137,932	1,262,049	1,105,865	1,096,000
Investment earnings	5,059	15,644	89,570	110,441
Grants and contributions not restricted to specific programs	470,303	454,419	451,246	449,828
Gain (loss) on sale of capital assets	331,187	(69,038)	37,520	(149,160)
Transfers	(459,677)	(425,000)	(434,989)	(3,718,243)
Total governmental activities	<u>15,730,077</u>	<u>15,882,706</u>	<u>15,901,544</u>	<u>12,624,139</u>
Business-type activities:				
Investment earnings	908	993	1,539	4,125
Grants and contributions not restricted	-	-	-	-
Gain on sale of capital assets	-	74,831	45,250	56
Transfers	459,677	425,000	434,989	3,718,243
Total business-type activities	<u>460,585</u>	<u>500,825</u>	<u>481,778</u>	<u>3,722,424</u>
Total primary government	<u>\$ 16,190,662</u>	<u>\$ 16,383,531</u>	<u>\$ 16,383,322</u>	<u>\$ 16,346,563</u>
Changes in Net Position				
Governmental activities	\$ 581,977	\$ 1,209,792	\$ (4,420,959)	\$ (4,822,144)
Business-type activities	296,850	480,431	(89,784)	3,314,745
Change in accounting principle	-	(13,096,892)	-	-
Total primary government	<u>\$ 878,827</u>	<u>\$ (11,406,669)</u>	<u>\$ (4,510,742)</u>	<u>\$ (1,507,399)</u>

Table 2

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ (16,730,529)	\$ (16,602,030)	\$ (15,417,632)	\$ (13,303,509)	\$ (17,127,763)	\$ (13,110,735)
(1,009,890)	(705,318)	(775,117)	118,351	(397,027)	(2,232,445)
<u>\$ (17,740,419)</u>	<u>\$ (17,307,348)</u>	<u>\$ (16,192,749)</u>	<u>\$ (13,185,159)</u>	<u>\$ (17,524,790)</u>	<u>\$ (15,343,180)</u>
\$ 882,197	\$ 917,150	\$ 888,874	\$ 979,374	\$ 1,063,014	\$ 1,112,013
13,935,682	14,623,842	15,937,121	18,255,204	19,085,733	19,936,994
1,078,449	1,113,293	1,109,300	1,167,611	1,274,208	1,252,252
78,189	110,642	69,101	44,099	327,990	1,030,248
449,060	448,418	415,333	437,453	410,313	420,579
-	-	-	(388,766)	(108,546)	1,449,183
(390,000)	(1,194,851)	(897,556)	(620,000)	(400,000)	(750,000)
<u>16,033,577</u>	<u>16,018,494</u>	<u>17,522,173</u>	<u>19,874,974</u>	<u>21,652,710</u>	<u>24,451,269</u>
10,755	20,200	11,257	6,160	22,200	39,145
-	-	-	-	-	-
33,180	-	(19,356)	77,857	-	4,518
390,000	1,194,851	897,556	620,000	400,000	750,000
<u>433,935</u>	<u>1,215,051</u>	<u>889,457</u>	<u>704,017</u>	<u>422,200</u>	<u>793,663</u>
<u>\$ 16,467,512</u>	<u>\$ 17,233,545</u>	<u>\$ 18,411,630</u>	<u>\$ 20,578,991</u>	<u>\$ 22,074,911</u>	<u>\$ 25,244,932</u>
\$ (696,952)	\$ (583,537)	\$ 2,104,541	\$ 6,571,465	\$ 4,524,947	\$ 11,340,534
(575,955)	509,733	114,341	822,368	25,173	(1,438,782)
(890,867)	-	-	1,125,196	-	-
<u>\$ (2,163,774)</u>	<u>\$ (73,803)</u>	<u>\$ 2,218,881</u>	<u>\$ 8,519,029</u>	<u>\$ 4,550,120</u>	<u>\$ 9,901,752</u>

CITY OF JACKSONVILLE, ARKANSAS

**GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN YEARS
(Accrual Basis of Accounting)**

Table 3

Year	General Property Taxes	Sales Taxes			Total Sales Taxes	Utility Franchise Taxes	Total
		City	Pulaski County	Alcoholic Beverage			
2014	\$ 838,864.00	\$ 7,448,713.45	\$ 5,852,313.79	\$ 105,382.20	\$ 13,406,409.44	\$ 1,137,932.00	\$ 15,383,205.44
2015	\$ 845,840.00	\$ 7,646,394.62	\$ 6,071,374.23	\$ 81,023.44	\$ 13,798,792.29	\$ 1,262,049.00	\$ 15,906,681.29
2016	\$ 871,178.00	\$ 7,643,898.64	\$ 6,042,853.05	\$ 94,402.00	\$ 13,781,153.69	\$ 1,105,865.00	\$ 15,758,196.69
2017	\$ 821,693.00	\$ 7,786,514.72	\$ 6,144,151.47	\$ 82,913.45	\$ 14,013,579.64	\$ 1,096,000.00	\$ 15,931,272.64
2018	\$ 882,197.00	\$ 7,639,555.27	\$ 6,211,566.39	\$ 84,560.12	\$ 13,935,681.78	\$ 1,078,449.00	\$ 15,896,327.78
2019	\$ 917,150.00	\$ 7,971,754.89	\$ 6,565,368.85	\$ 86,718.52	\$ 14,623,842.26	\$ 1,113,293.00	\$ 16,654,285.26
2020	\$ 888,873.74	\$ 9,106,051.20	\$ 6,767,979.62	\$ 63,090.59	\$ 15,937,121.41	\$ 1,109,299.88	\$ 17,935,295.03
2021	\$ 979,373.55	\$ 10,337,376.00	\$ 7,804,993.00	\$ 112,835.00	\$ 18,255,204.00	\$ 1,167,610.54	\$ 20,402,188.09
2022	\$ 1,063,013.54	\$ 10,734,360.94	\$ 8,226,081.31	\$ 125,290.36	\$ 19,085,732.61	\$ 1,274,207.66	\$ 21,422,953.81
2023	\$ 1,112,013.00	\$ 10,998,932.00	\$ 8,815,491.29	\$ 122,570.82	\$ 19,936,994.11	\$ 1,252,252.00	\$ 22,301,259.11

CITY OF JACKSONVILLE, ARKANSAS

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN YEARS

(Modified Accrual Basis of Accounting)

Table 4

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Nonspendable	\$ 49,285	\$ 35,247	\$ 29,034	\$ 1,003	\$ 3,758	\$ 2,066	\$ 13,355	\$ 2,355	\$ 2,458	\$ 22,040
Restricted	8,158	8,158	-	-	-	-	-	-	-	-
Committed	2,654	3,301	5,948	5,876	6,985	7,873	9,824	10,895	10,895	10,895
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	2,375,306	1,830,111	806,202	994,333	1,992,119	3,139,553	5,089,752	9,032,333	9,131,705	8,889,749
Total general fund	<u>\$ 2,435,403</u>	<u>\$ 1,876,818</u>	<u>\$ 841,184</u>	<u>\$ 1,001,212</u>	<u>\$ 2,002,862</u>	<u>\$ 3,149,492</u>	<u>\$ 5,112,931</u>	<u>\$ 9,045,583</u>	<u>\$ 9,145,058</u>	<u>\$ 8,922,683</u>
All Other Governmental Funds										
Restricted	\$ 1,823,265	\$ 6,077,962	\$ 4,161,056	\$ 4,759,508	\$ 5,023,812	\$ 5,284,005	\$ 13,674,802	\$ 8,391,823	\$ 7,913,927	\$ 6,868,854
Committed	-	-	-	-	-	-	-	-	8,484,746	10,033,517
Assigned	1,597,837	1,617,645	1,603,548	1,406,102	1,472,853	1,760,870	1,558,376	96,196	-	575,221
Unassigned	-	-	-	-	-	-	-	-	(4,885)	(3,693)
Total all other governmental funds	<u>\$ 3,421,102</u>	<u>\$ 7,695,606</u>	<u>\$ 5,764,604</u>	<u>\$ 6,165,610</u>	<u>\$ 6,496,665</u>	<u>\$ 7,044,875</u>	<u>\$ 15,233,178</u>	<u>\$ 8,488,020</u>	<u>\$ 16,393,789</u>	<u>\$ 17,473,898</u>

In 2015, the increase in restricted fund balance is associated with the issuance of the 2015 Capital Improvement Bonds.

In 2020, the increase in restricted fund balance is associated with the issuance of the 2020 Capital Improvement Bonds.

In 2022, the increase in assigned fund balance is associated with the allocation of COVID -19 American Rescue Plan funds.

CITY OF JACKSONVILLE, ARKANSAS

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS (Modified Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues				
Property taxes	\$ 802,438	\$ 833,835	\$ 839,052	\$ 826,251
Sales taxes	13,406,409	13,798,792	13,781,154	14,013,579
Licenses and permits	133,586	136,274	226,274	434,535
Intergovernmental	4,729,464	4,575,835	4,847,747	4,738,360
Charges for services	1,119,187	1,150,933	1,097,253	942,439
Fines and fees	840,609	651,626	562,916	542,862
Utility franchise taxes	1,137,932	1,262,049	1,105,865	1,096,000
Investment income	5,059	15,644	89,570	110,441
Contributions	-	772,000	257,500	110,000
Miscellaneous	932,527	665,312	548,794	234,085
Total revenues	23,107,211	23,862,300	23,356,125	23,048,552
Expenditures				
General government	2,906,919	2,708,248	2,781,035	2,904,825
Public works	2,528,778	2,802,715	2,375,150	2,390,959
Parks and recreation services	3,025,248	3,292,345	3,936,111	2,473,090
Police	7,149,003	7,347,242	7,370,238	6,970,618
Fire	4,324,497	4,472,701	7,214,517	4,764,915
Emergency communication services	714,945	675,758	699,037	714,326
Animal control	305,998	287,637	280,536	290,121
Code enforcement	-	-	-	-
Housing and neighborhood programs	238,824	202,067	226,768	213,718
Debt Service				
Principal	1,803,468	6,389,707	725,000	1,050,000
Interest	227,594	215,760	272,534	251,964
Agent fees	600	33,833	6,844	6,990
Issuance costs	-	145,014	-	-
Total expenditures	23,225,874	28,573,027	25,887,770	22,031,526
Excess (Deficiency) of revenues over (under) expenditures	(118,663)	(4,710,727)	(2,531,645)	1,017,026
Other Financing Sources (Uses)				
Bonds issued	-	8,851,649	-	-
Proceeds from other long-term debt	344,335	-	-	-
Capital lease	-	-	-	-
Transfers in	554,150	150,000	993,156	1,088,000
Transfers out	(1,013,827)	(575,000)	(1,428,145)	(1,543,989)
Total other financing sources (uses)	(115,342)	8,426,649	(434,989)	(455,989)
Net change in fund balances	\$ (234,005)	\$ 3,715,922	\$ (2,966,634)	\$ 561,037
Debt service as a percentage of noncapital expenditures	12.4%	33.6%	4.3%	7.5%

Table 5

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 856,539	\$ 852,536	\$ 877,551	\$ 937,059	\$ 929,242	\$ 1,015,206
13,935,682	14,623,842	15,937,121	18,255,204	19,085,733	19,936,994
243,423	305,522	279,517	273,121	291,681	440,498
4,687,887	5,482,124	6,268,771	8,070,894	8,616,676	11,945,588
956,629	1,063,640	1,017,444	1,182,950	1,159,952	1,241,394
493,869	429,075	301,114	280,107	344,192	333,916
1,078,449	1,113,293	1,109,300	1,167,611	1,274,208	1,252,252
78,189	99,274	69,101	44,099	327,990	1,030,248
406,260	4,125	3,750	9,740	17,900	-
260,997	334,679	303,787	167,419	820,841	3,084,398
<u>22,997,923</u>	<u>24,308,109</u>	<u>26,167,455</u>	<u>30,388,204</u>	<u>32,868,414</u>	<u>40,280,494</u>
2,797,378	3,025,070	3,039,182	3,443,196	4,942,920	4,437,147
2,295,609	3,029,940	2,174,498	2,313,256	4,115,803	11,339,716
2,620,703	2,682,522	2,835,181	2,974,325	3,556,873	6,877,456
6,003,262	5,919,883	6,803,095	6,859,286	7,520,052	7,788,662
5,261,163	5,200,548	5,381,616	5,525,282	5,766,950	5,799,783
761,607	812,913	857,035	845,571	795,729	881,750
299,083	307,313	310,037	326,613	347,164	459,685
-	-	-	-	-	340,007
244,248	365,580	581,347	435,028	572,152	241,654
765,000	790,000	770,000	75,000	345,000	350,000
220,133	198,391	177,423	162,185	162,856	155,906
7,035	6,741	1,912	1,000	1,000	1,000
-	-	93,773	46,633	-	-
<u>21,275,222</u>	<u>22,338,900</u>	<u>23,025,100</u>	<u>23,007,375</u>	<u>28,126,500</u>	<u>38,672,765</u>
1,722,701	1,969,209	3,142,354	7,380,829	4,741,915	1,607,729
-	-	7,935,000	-	-	-
-	-	8,643	-	-	-
-	-	-	-	-	-
1,000,336	726,536	8,281,423	2,545,886	5,591,429	4,050,554
<u>(1,390,336)</u>	<u>(1,301,536)</u>	<u>(8,926,422)</u>	<u>(3,165,886)</u>	<u>(5,991,429)</u>	<u>(4,800,554)</u>
<u>(390,000)</u>	<u>(575,000)</u>	<u>7,298,644</u>	<u>(620,000)</u>	<u>(400,000)</u>	<u>(750,000)</u>
<u>\$ 1,332,701</u>	<u>\$ 1,394,209</u>	<u>\$ 10,440,998</u>	<u>\$ 6,760,829</u>	<u>\$ 4,341,915</u>	<u>\$ 857,729</u>
5.0%	4.5%	4.3%	1.1%	2.1%	1.5%

CITY OF JACKSONVILLE, ARKANSAS

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE LAST TEN YEARS (Modified Accrual Basis of Accounting)

Table 6

Year	General Property Taxes	Sales Taxes			Total Sales Taxes	Utility Franchise Taxes	Total
		City	Pulaski County	Alcoholic Beverage			
2014	\$ 802,438	\$ 7,448,713	\$ 5,852,314	\$ 105,382	\$ 13,406,409	\$ 1,137,932	\$ 15,346,779
2015	833,835	7,646,395	6,071,374	81,023	13,798,792	1,262,049	15,894,676
2016	839,052	7,643,899	6,042,853	94,402	13,781,154	1,105,865	15,726,071
2017	826,251	7,786,515	6,144,151	82,913	14,013,580	1,096,000	15,935,831
2018	856,539	7,639,555	6,211,566	84,560	13,935,682	1,078,449	15,870,670
2019	852,536	7,971,755	6,565,369	86,719	14,623,842	1,113,293	16,589,671
2020	877,551	9,106,051	6,767,980	63,091	15,937,121	1,109,300	17,923,972
2021	937,059	10,337,376	7,804,993	112,835	18,255,204	1,167,611	20,359,874
2022	929,242	10,734,361	8,226,081	125,571	19,086,013	1,215,893	21,231,148
2023	1,015,206	10,998,932	8,815,491	122,571	19,936,994	1,133,358	22,085,558
Change 2014-2023	26.5%	47.7%	50.6%	16.3%	48.7%	-0.4%	43.9%

CITY OF JACKSONVILLE, ARKANSAS

ASSESSED AND APPRAISED VALUE OF TAXABLE PROPERTY LAST TEN YEARS

Table 7

Year	Regular Property		Utility Property		Total Taxable Assessed Value	Total Direct Tax Rate	Total Appraised Value	Assessed Value as a Percentage of Appraised Value
	Real	Personal	Real	Personal				
2013	\$ 208,233,348	\$ 55,876,090	\$ -	\$ 17,583,900	\$ 281,693,338	3.0	\$ 1,408,466,690	20%
2014	211,849,225	58,290,985	-	19,517,835	289,658,045	3.0	1,448,290,225	20%
2015	214,553,993	57,134,325	-	20,250,790	291,939,108	3.0	1,459,695,540	20%
2016	218,016,627	60,054,250	-	17,822,980	295,893,857	3.0	1,479,469,285	20%
2017	212,102,407	60,382,580	-	21,874,860	294,359,847	3.0	1,471,799,235	20%
2018	219,119,460	59,101,010	-	21,670,270	299,890,740	3.0	1,499,453,700	20%
2019	223,912,898	69,007,820	-	22,845,645	315,766,363	3.0	1,578,831,815	20%
2020	228,111,681	64,173,005	-	25,747,245	318,031,931	3.0	1,590,159,655	20%
2021	230,775,142	71,261,870	-	25,079,005	327,116,017	3.0	1,635,580,085	20%
2022	248,431,326	80,634,175	-	27,711,015	356,776,516	3.0	1,783,882,580	20%
2023	263,914,198	84,432,395	-	32,785,415	381,132,008	3.0	1,905,660,040	20%

Source: Pulaski County Tax Assessor.

Note: Tax rates are per \$1,000 of assessed value.

Note: Tax collections shown do not include Act 9 Real Estate Valuations.

Note: The Arkansas Public Service Commission has combined the personal and real estate public service accounts. Both are considered personal PSC accounts

CITY OF JACKSONVILLE, ARKANSAS

PROPERTY TAX RATES AND TAX LEVIES OF DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN YEARS

Table 8

Local Tax Rates Per \$1,000 Assessed Value

Year	Jacksonville		Pulaski County		Pulaski County Special School District		Jacksonville North Pulaski School District		Totals	
	Real	Personal	Real	Personal	Real	Personal	Real	Personal	Real	Personal
2014	3.00	3.00	10.10	10.10	40.70	40.70	-	-	53.80	53.80
2015	3.00	3.00	10.10	10.10	40.70 (1)	40.70 (1)	-	-	53.80	53.80
2016	3.00	3.00	10.10	10.10	-	-	(2) 40.70	40.70	53.80	53.80
2017	3.00	3.00	10.10	10.10	-	-	48.30	48.30	61.40	61.40
2018	3.00	3.00	10.10	10.10	-	-	48.30	48.30	61.40	61.40
2019	3.00	3.00	10.10	10.10	-	-	48.30	48.30	61.40	61.40
2020	3.00	3.00	10.10	10.10	-	-	48.30	48.30	61.40	61.40
2021	3.00	3.00	10.10	10.10	-	-	48.30	48.30	61.40	61.40
2022	3.00	3.00	10.10	10.10	-	-	48.30	48.30	61.40	61.40
2023	3.00	3.00	10.10	10.10	-	-	48.30	48.30	61.40	61.40

Tax Levies

2014	1,289,033	52,080,512	109,264,864	-	69,343,032
2015	1,299,180	53,185,616	14,858,236	-	56,492,623
2016	1,316,778	55,175,845	-	18,017,117	75,443,503
2017	1,309,974	55,667,587	-	18,465,942	77,969,963
2018	1,334,609	57,637,586	-	18,997,768	77,969,963
2019	1,405,292	59,806,627	-	19,920,435	81,132,354
2020	1,415,374	61,248,395	-	20,223,612	82,887,381
2021	1,455,803	63,187,101	-	20,956,773	85,599,677
2022	1,587,789	69,507,895	-	22,848,104	93,943,788
2023	1,696,167	73,945,271	-	24,431,534	100,072,972

Note: Property assessments are made, tax rates (millages) are established, and taxes are levied in one year for payment by the taxpayer and collection by local governments the following year.

Note (1): In 2015 a new school district was established, the Jacksonville North Pulaski School District, and 2015 tax rates and levies reflect amounts for the new school district.

Note (2): In July 2016 the new Jacksonville North Pulaski School District opened for classes.

Taxes are due and payable on or before October 10th. Taxes are recorded as delinquent after October 10th and a 10% penalty is added.

State statutory limits on City tax rate:

General operation	5 mills
General improvement bonds	Unlimited subject to voter approval
Industrial development bonds	5 mills
Firemen's pension and policemen's pension	1 mill each

CITY OF JACKSONVILLE, ARKANSAS

PRINCIPAL SALES TAXPAYERS
DECEMBER 31, 2023

Table 9

The City of Jacksonville, Arkansas' largest own-source revenue is sales taxes. The City's sale taxes revenues are generated from two separate tax levies: a two cent city tax based on point of sale and a portion of the county's one cent tax based on population. Taxes are assessed based on the point of sale. The City of Jacksonville makes up approximately 8.02% of the county population and receives a like portion of the county tax. In 2023, the two cent city sales tax generated revenue of \$10,998,932. The City's share of the county 1-cent tax generated revenue of \$8,815,491.

According to Arkansas State Statute, the City is required to keep the identity of individual tax payers confidential. Therefore, the City of Jacksonville is not able to identify the top 10 taxpayers. However, Jacksonville enjoys a diverse economic sales tax base.

Jacksonville Top Ten 2 Cent Sales Taxpayers Industries		Tax Collected	% of Total
1	Retail Trade	\$ 6,316,927	55.8%
2	Wholesale Trade	1,477,893	13.1%
3	Accommodations and Food Services	934,229	8.3%
4	Information and Cultural Industries	454,465	3.7%
5	Other Services (except Public Administration)	325,378	4.0%
6	Manufacturing	600,458	5.3%
7	Utilities	257,475	2.3%
8	Rental, Leasing and Real Estate	345,073	3.0%
9	Admin & Support & Waste Mngmt & Remediation Services	236,763	2.1%
10	Construction	111,745	1.0%
Totals		\$ 11,060,406	98.6%

Jacksonville Top Ten 1 Cent County Sales Taxpayers Industry		Collected	% of Total
1	Retail Trade	\$ 4,638,409	54.0%
2	Accommodations and Food Services	1,050,445	12.2%
3	Wholesale Trade	937,665	10.9%
4	Utilities	38,987	0.5%
5	Manufacturing	478,035	5.6%
6	Information and Cultural Industries	366,160	0.0%
7	Rental, Leasing and Real Estate	362,421	4.2%
8	Other Services (except Public Administration)	328,622	3.8%
9	Admin & Support & Waste Mngmt & Remediation Services	255,905	0.0%
10	Automobile	94,536	1.1%
Totals		\$ 8,551,186	95.2%

Source: Arkansas Department of Finance and Administration, Revenue Division (DFA), Sales and Use Tax Section.

Note: DF&A will not supply "Taxable Sales". Therefore, taxable sales are based on "Tax Collected" divided by 2%, the tax rate for the corresponding year.

CITY OF JACKSONVILLE, ARKANSAS

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN YEARS

Table 10

Year	Total Tax Levy in Prior Year	Taxes Levied in the Prior Year Collected within the current year		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	1,253,591	1,096,603	87.90%	71,369	1,192,211	95.10%
2015	1,289,033	1,124,222	87.21%	68,229	1,212,846	94.09%
2016	1,299,180	1,119,392	86.26%	68,176	1,204,196	92.69%
2017	1,316,778	1,110,770	84.36%	64,163	1,192,854	90.59%
2018	1,309,974	1,114,212	85.06%	77,031	1,191,243	90.94%
2019	1,334,609	1,139,082	85.35%	59,229	1,198,311	89.79%
2020	1,405,292	1,185,225	84.34%	66,117	1,251,342	89.05%
2021	1,415,374	1,204,892	85.13%	63,628	1,268,520	89.62%
2022	1,455,803	1,213,375	83.35%	74,737	1,288,111	88.48%
2023	1,587,789	1,329,340	83.72%	72,636	1,401,976	88.30%

Note: Property assessments are made, tax rates (millages) are established, and taxes are levied in one year for payment by the taxpayer and collection by local governments the following year. Data is not available to show the current level by year of outstanding delinquent taxes.

CITY OF JACKSONVILLE, ARKANSAS

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN YEARS

Table 11

Year	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases	Notes Payable				
2014	1,404,381	-	4,104,899	2,075,153	475,337	-	8,059,770	1.40%	395.94
2015	1,194,520	8,849,418 (2)	-	74,958	216,842	-	1,486,320	0.26%	72.57
2016	970,126	8,343,237	-	54,958	-	-	9,368,322	1.68%	477.37
2017	735,732	7,521,374	-	621,185	-	-	8,878,292	1.54%	437.14
2018	490,139	7,004,038	-	633,710	-	-	8,127,887	1.36%	384.86
2019	230,041	6,470,439	-	463,223	-	-	7,163,702	1.14%	323.48
2020	-	13,870,411 (3)	-	305,346	-	-	14,175,756	2.10%	618.11
2021	-	7,868,374	-	145,005	-	-	8,013,379	1.12%	331.28
2022	-	7,522,995	-	24,672	-	-	7,547,667	0.96%	282.45
2023	-	7,172,609	-	-	-	-	7,172,609	0.86%	252.20

Note: Details regarding the City's outstanding debt can be found in Note 4 to the basic financial statements.

- (1) See the Schedule of Demographic and Economic Statistics for the personal income and population data.
- (2) In 2015, the City issued \$8,815,000 of Capital Improvement and Refunding Revenue Bonds to renovate the Central Fire Station and Splash Zone (City Water Park), to purchase three new fire trucks, to replace playground and exercise equipment, to construct a roundabout at General Samuels and Harris Roads and to refund the City's outstanding short-term loans.
- (3) In 2020, the City issued \$7,935,000 of Capital Improvement and Refunding Revenue Bonds to refund the 2015 Capital Improvement Refunding Revenue Bonds, remodel the courts building, construct new City Mechanic shop, repair roof at public safety building, and purchase a shot curtain at the shooting range.

CITY OF JACKSONVILLE, ARKANSAS

RATIO OF GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS

Table 12

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Appraised Value of Property (1)	Per Capita (2)
2014	1,404,381	272,324	1,132,057	0.39%	39.91
2015	1,194,520	275,130	919,390	0.31%	32.41
2016	970,126	275,079	695,047	0.23%	24.50
2017	735,732	273,598	462,134	0.16%	16.29
2018	490,139	279,918	210,221	0.07%	7.41
2019	230,041	230,041	-	0.00%	-
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	-
2023	-	-	-	0.00%	-

Note: Details regarding the City's outstanding debt can be found in *Note 4* to the financial statements.

(1) See *Table 7*, Schedule of Assessed and Appraised Value of Taxable Property for property value data.

(2) See *Table 16*, Schedule of Demographic and economic Statistics for personal income and population data.

CITY OF JACKSONVILLE, ARKANSAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 DECEMBER 31, 2023

Table 13

	Debt Available for Retirement	Percentage Applicable	City's Share of Overlapping Debt
Direct:			
City of Jacksonville	\$ 7,172,609	100%	\$ 7,172,609
Overlapping:			
Jacksonville North Pulaski School District	<u>101,125,000</u>	76% (1)	<u>76,855,000</u> (2)
Total direct & overlapping debt	<u>\$ 108,297,609</u>		<u>\$ 84,027,609</u>

(1) Property value for city is \$381,132,008 while property value for the School District is \$505,828,667.
 Estimated percentage = $381.0 \div 505.8 = 76\%$

(2) Share of outstanding debt = $101,125,000 \times 76\% = 76,855,000$

CITY OF JACKSONVILLE, ARKANSAS

LEGAL DEBT MARGIN INFORMATION LAST TEN YEARS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit	\$ 72,414,511	\$ 72,984,777	\$ 73,973,464	\$ 73,589,962
Total net debt applicable to limit	<u>7,308,901</u>	<u>9,739,216</u>	<u>8,732,284</u>	<u>7,534,343</u>
Legal debt margin	<u>\$ 65,105,610</u>	<u>\$ 63,245,561</u>	<u>\$ 65,241,180</u>	<u>\$ 66,055,619</u>
Total net debt applicable to the limit as a percentage of debt limit	12.46%	10.09%	13.34%	11.80%

Note: Computation of the City's legal debt margin is set forth in Amendments 78 and 62 to the Constitution of the State of Arkansas.

- (1) General obligation debt is not to exceed 20% of assessed value.
- (2) Short-term financing debt is not to exceed 5% of assessed value.

Table 14

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 74,972,685	\$ 78,941,591	\$ 79,507,983	\$ 81,779,004	\$ 89,194,129	\$ 95,283,002
<u>7,472,668</u>	<u>6,731,895</u>	<u>12,168,583</u>	<u>6,067,435</u>	<u>6,689,480</u>	<u>6,792,947</u>
<u>\$ 67,500,017</u>	<u>\$ 72,209,695</u>	<u>\$ 67,339,399</u>	<u>\$ 75,711,569</u>	<u>\$ 82,504,649</u>	<u>\$ 88,490,055</u>
10.24%	8.53%	15.30%	7.42%	7.50%	7.13%

Legal Debt Margin Calculation for 2023

Assessed value	\$ 381,132,008
Debt limit:	
General obligation debt limitation (1)	76,226,402
Short-term financing debt limitation (2)	<u>19,056,600</u>
Total Debt Limitation	<u>95,283,002</u>
Debt applicable to limit:	
General obligation and short-term financing	7,172,609
Less: Amount set aside for repayment in debt service fund	<u>379,661</u>
Total net debt applicable to limit	<u>6,792,947</u>
Legal debt margin	<u>\$ 94,903,341</u>

CITY OF JACKSONVILLE, ARKANSAS

PLEGGED REVENUE BOND COVERAGE LAST TEN YEARS

Table 15

Governmental Activities Revenue Bonds*						
2015 Capital Improvement and Refunding Bond						
Fiscal Year	Pledged Revenues	Debt Service Requirements			Coverage	
		Principal	Interest	Total		
2015	\$ 1,262,049	\$ -	\$ 57,284	\$ 57,284	5%	
2016	1,105,865	500,000	224,136	724,136	65%	
2017	1,096,000	815,000	214,036	1,029,036	94%	
2018	1,078,449	520,000	193,061	713,061	66%	
2019	1,113,293	530,000	182,561	712,561	64%	
2020	1,109,300	540,000	171,861	711,861	64%	
2020 Capital Improvement and Refunding Bond						
Fiscal Year	Pledged Revenues	Debt Service Requirements			Coverage	
		Principal	Interest	Total		
2020	\$ 1,109,300	\$ -	\$ -	\$ -	0%	
2021	1,167,611	75,000	154,005	229,005	20%	
2022	1,274,208	345,000	162,856	507,856	40%	
2023	1,105,000	350,000	155,906	505,906	46%	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

*Primary government pledged revenue bond coverage is presented starting with fiscal year 2015.

(1) 2015 Capital Improvement and Refunding Revenue Bonds are backed with a pledge of specific Utility Franchise fees.

(2) 2020 Capital Improvement and Refunding Revenue Bonds are backed with a pledge of specific Utility Franchise fees.

CITY OF JACKSONVILLE, ARKANSAS

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS

Table 16

Year	Population	Personal Income (thousands of dollars) (2)	Per Capita Income (2)	Median Age	Percent of Population Age 25+ MA/Professional Degree or Higher	School Enrollment (3)	Unemployment Rate (4)
2014	28,364 (1)	577,378	20,356	31.2	15.0%	5,144 (3)	6.1%
2015	28,364 (1)	580,895	20,480	31.2	18.6%	3,898 (5)	5.7%
2016	28,364 (1)	556,644	19,625	31.2	18.9%	4,062 (6)	4.1%
2017	28,364 (1)	576,073	20,310	31.9	19.2%	3,871	3.3%
2018	28,364 (1)	599,019	21,119	32.4	19.5%	3,886	4.2%
2019	28,364 (1)	628,149	22,146	33.1	18.6%	3,958	5.0%
2020	29,477 (7)	676,026	22,934	33.5	18.7%	3,457	7.6%
2021	29,477 (7)	713,019	24,189	33.5	21.8%	3,986	3.9%
2022	29,477 (7)	787,684	26,722	33.5	22.40%	4,095	3.6%
2023	29,477 (7)	838,326	28,440	33.5	24.90%	5,081	4.0%

Data Sources: Metroplan - Council of Local Governments, Pulaski County Special School District

- (1) 2010 Census
- (2) Metroplan provides per capita income. Personal Income is a calculation of per capita income multiplied by the population.
- (3) Pulaski County Special School District
- (4) Source: Arkansas Department of Workforce Services / www.discover.arkansas.gov
- (5) 2015 New division lines for Pulaski County Special School District excludes data from Adkins PreK, Cato Elementary, Northwood Elementary schools.
- (6) 2016 Jacksonville no longer is part of the Pulaski County Special School District. Jacksonville North Pulaski School District opened.
- (7) 2020 Census

CITY OF JACKSONVILLE, ARKANSAS

JACKSONVILLE AREA MAJOR EMPLOYERS CURRENT YEAR AND TEN YEARS

Table 17

<u>Employer</u>	<u>2023</u>			<u>2014</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Little Rock Air Force Base	9,302	1	53.07%	8,311	1	42.05%
Jacksonville North Pulaski School District	625	2	3.57%	701	4	10.63%
Pathfinder, Inc	615	3	3.51%	725	3	4.85%
Lomanco, Inc.	357	4	2.04%	200	10	0.75%
Wal-Mart	315	5	1.80%	380	4	1.53%
Sig Sauer	293	6	1.67%	348	5	1.99%
City of Jacksonville	268	7	1.53%	292	8	1.32%
First Arkansas Bank & Trust	267	8	1.52%	300	7	1.05%
First Electric Co-op	228	9	0.00%	350	6	0.91%
Lowes	145	10	0.83%	150	10	0.91%
Arkansas Federal Credit Union	12	-	0.07%	250	9	0.81%
Pulaski County Special School District	-	-	0.00%	2,443	2	10.63%
	<u>12,427</u>		<u>69.59%</u>	<u>14,450</u>		<u>77.42%</u>

Sources: Jacksonville Chamber of Commerce
Discover Arkansas.net-Labor Force Statistics
National center of Education Statistics

CITY OF JACKSONVILLE, ARKANSAS

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN YEARS

Table 18

<u>Function</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government:										
General administration	12	12	12	10	10	10	10	10	10	10
City council	10	10	10	10	10	10	10	10	10	10
Mayor	2	2	1	1	1	2	2	2	2	3
City clerk	2	2	1	1	1	2	2	2	2	2
City attorney	2	2	1	1	1	2	2	2	2	2
District court	5	5	5	3	4	5	5	3	4	4
Director of administration	1	1	1	0	0	0	0	0	0	0
Information technology	2	1	1	1	1	3	3	3	3	3
Finance	7	6	6	6	6	7	6	6	7	7
Human resources	3	2	1	1	1	2	2	2	3	3
Fleet services	2	2	2	2	2	2	2	2	3	3
Public works										
Public works coordinator	1	1	1	1	1	1	1	1	1	1
Engineering	4	3	3	3	3	3	3	3	3	3
Parks and recreation	35	34	45	34	64	55	55	45	55	57
Police	96	95	94	79	55	60	58	58	50	50
Fire	56	55	45	55	51	56	62	61	60	59
Emergency communication	12	11	10	13	9	10	14	10	11	10
Animal control	5	5	5	5	5	5	5	4	5	4
Code enforcement	4	4	4	3	2	5	3	3	5	5
Total General Fund	<u>261</u>	<u>253</u>	<u>248</u>	<u>229</u>	<u>227</u>	<u>240</u>	<u>245</u>	<u>227</u>	<u>236</u>	<u>236</u>
Community Development	1	1	1	1	1	1	1	1	1	1
Emergency Medical Services	12	12	12	12	12	10	10	11	11	12
Public Works - Street	15	14	18	19	16	14	12	13	13	12
Sanitation	15	15	15	16	13	15	15	15	15	15
Total Other Funds	<u>43</u>	<u>42</u>	<u>46</u>	<u>48</u>	<u>42</u>	<u>40</u>	<u>38</u>	<u>40</u>	<u>40</u>	<u>40</u>
Total Personnel	<u>303</u>	<u>295</u>	<u>294</u>	<u>277</u>	<u>269</u>	<u>280</u>	<u>283</u>	<u>267</u>	<u>276</u>	<u>276</u>

Source: City's Human Resource Department

CITY OF JACKSONVILLE, ARKANSAS

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN YEARS

Table 19

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Planning and Development										
Total building permits issued	150	147	153	183	145	190	174	149	163	219
Estimated building cost	\$ 11,637,357	\$ 9,244,024	\$ 15,307,827	\$ 97,881,742	\$ 18,957,534	\$ 41,491,501	\$ 15,694,601	\$ 28,810,690	\$ 28,000,788	\$ 53,476,701
New commercial construction permits	3	1	6	13	8	4	6	4	5	6
Commercial construction value	\$ 5,273,746	\$ 380,000	\$ 2,126,400	\$ 87,803,785	\$ 9,564,888	\$ 26,265,314	\$ 3,505,844	\$ 8,755,302	\$ 6,766,302	\$ 3,441,590
New residential construction permits	39	43	41	63	36	56	51	40	71	86
Residential construction value	\$ 4,749,000	\$ 5,633,017	\$ 5,060,053	\$ 7,309,903	\$ 5,404,500	\$ 13,256,326	\$ 7,921,238	\$ 7,692,840	\$ 12,777,000	\$ 16,594,865
Police										
Number of uniformed employees	80	77	76	79	70	70	65	59	52	48
Call responses	45,587	55,199	51,263	42,804	43,266	40,031	37,528	53,485	343,999	31,788
Physical arrests	4,040	3,363	2,896	1,898	2,621	2,018	1,539	1,795	1,785	1,793
Parking/traffic violations	7,278	7,731	6,410	3,502	3,651	5,572	3,890	9,836	5,560	4,721
Clearance rate - violent crimes	56.7%	63.0%	59.0%	56.0%	59.0%	38.7%	61.0%	40.0%	85.0%	55.0%
Clearance rate - property crimes	44.5%	49.0%	37.0%	18.0%	35.0%	39.7%	29.0%	24.0%	46.0%	31.0%
Fire										
Number of uniformed employees	55	67	55	56	52	56	62	61	68	76
Fire alarms	3,752	4,485	4,699	5,035	5,308	5,558	6,101	6,252	6,423	6,160
EMS alarms	3,541	3,847	3,920	4,215	4,253	4,608	4,797	5,293	5,167	4,904
Fire losses	\$ 803,495	\$ 394,220	\$ 829,630	\$ 706,250	\$ 459,600	\$ 205,750	\$ 633,800	\$ 1,987,450	\$ 675,800	\$ 525,200
Fire savings	\$ 2,906,079	\$ 7,949,810	\$ 5,656,220	\$ 10,133,450	\$ 6,967,785	\$ 7,633,750	\$ 7,873,800	\$ 11,751,371	\$ 12,081,600	\$ 6,681,500
911 Communications										
Ambulance land line calls (1)(2)	1,593	1,731	980	1,054	1,063	1,152	1,199	1,323	1,292	1,226
Ambulance wireless calls (1)(2)	1,948	2,116	2,940	3,161	3,190	3,456	3,598	3,970	3,875	3,678
Fire land line calls (1)(2)	1,688	2,018	1,175	1,259	1,327	1,390	1,525	1,563	1,606	1,540
Fire wireless calls (1)(2)	2,064	2,467	3,524	3,776	3,981	4,169	4,576	4,689	4,817	4,620
Police land line calls (1)(2)	20,514	24,840	12,816	10,701	10,816	10,008	9,382	13,371	8,600	7,947
Police wireless calls (1)(2)	25,073	30,359	38,447	32,103	32,450	30,023	28,146	40,114	25,799	23,841
Animal Shelter										
Animals handled	1,507	1,500	1,503	1,723	1,668	1,720	1,562	1,698	1,352	1,243
Adoptions	795	1,032	1,125	1,236	1,180	1,012	1,044	1,010	832	528
Rescued and released to owners	324	324	296	329	299	361	354	339	399	228
Animal cruelty investigations	38	27	17	9	6	14	8	46	52	66
Animal bite investigations	40	40	32	40	18	8	21	29	50	35
Solid Waste/Garbage collection										
Solid waste disposal monthly service rate (3)	\$ 22.40	\$ 22.40	\$ 22.40	\$ 22.62	\$ 22.39	\$ 22.39	\$ 24.12	\$ 25.34	\$ 26.00	\$ 28.00
Refuse collected (cubic yards)	22,393	24,774	26,890	26,886	22,789	23,967	26,933	27,237	21,027	21,943
Recyclables collected, processed, and sold (tons)	612	557	524	531	557	384	505	363	222	176
Recycled yard waste (cubic yards)	34,529	30,636	31,830	38,352	30,636	30,054	34,962	28,854	22,206	33,006
Recycle drive-thru customers (4)	8,156	8,140	8,122	6,620	8,140	6,766	10,164	18,131	16,573	19,286
Public Works										
Asphalt milling (square yards)	13,286	7,314	11,600	10,000	7,390	21,025	0	0	18,596	0
Asphalt overlay (tons)	1,623	2,226	2,055	2,064	2,280	2,759	0	0	4,418	0
Right-of-way and ditch mowing (miles)	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850
Ditch cleaning (linear feet)	22,240	18,422	20,299	27,856	30,582	30,582	14,655	849	18,005	18,005
Pipe/culvert installation (linear feet)	1,500	1,065	1,528	2,106	3,288	2,040	3,517	739	1,460	200
Storm drain culverts cleaned/flushed (feet)	3,000	3,000	3,000	3,000	3,000	2,500	2,500	2,500	2,500	2,500
Roadways cleaned with street sweeper (miles)	9,318	9,318	7,800	7,800	7,800	7,800	7,800	7,800	8,183	130
Potholes repaired	200	225	225	246	358	495	425	290	290	275
Parks and recreation										
Total recorded parks attendance	425,000	425,000	435,000	500,000	435,000	500,000	500,000	500,000	500,000	500,000
Community Center events booked	173	187	303	329	474	304	101	113	190	293
Pool parties-indoor pool	185	272	184	212	203	171	74	62	95	86
Pool parties-outdoor pool	112	126	92	127	118	97	36	66	95	164
Swim lessons	1,541	1,126	1,477	1,392	1,472	1,439	874	1,347	1,428	1,536
AG&FF Shooting Sports Complex (5)										
Total Events Held	0	0	79	87	60	60	60	52	60	60
Targets Thrown	0	0	1,200,000	1,300,000	1,200,000	1,200,000	620,975	1,045,175	1,331,275	1,063,050

Source: Various city departments

Note: Indicators are not available for the general government function.

(1) Beginning in 2011 the Total EMS/Fire/Police Calls= 45% (landline), 55% (Wireless)

(2) Beginning in 2016 the Total EMS/Fire/Police Calls= 25% (landline), 75% (Wireless)

(3) Solid Waste disposal was charged per cubic yard until 2012, then it was charged per ton.

(4) Decrease due to the County's new 2017 curbside recycling program

(5) Beginning in 2017 the Shooting Sports Complex became its own Enterprise Fund

CITY OF JACKSONVILLE, ARKANSAS

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN YEARS

Table 20

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-stations	1	2	2	2	2	2	2	2	2	2
Patrol units	87	82	78	80	49	51	64	64	48	37
Fire										
Fire Stations	4	4	4	4	4	4	4	4	4	4
Fire trucks	5	5	5	5	6	8	7	7	6	6
Ambulances	4	4	4	3	4	5	5	5	4	5
Refuse Collection										
Collection trucks	18	18	20	22	18	19	24	24	18	18
Public Works										
Miles of streets	121	123	123	124	124	124	125	125	130	130
Miles of highways	43	43	43	43	43	43	43	43	43	43
Traffic signals	17	17	16	16	18	18	18	18	18	18
Parks and Recreation										
Acreage	700	700	700	700	700	700	700	700	700	700
Number of parks	16	16	16	16	16	16	16	17	17	17
Number of playgrounds	11	11	11	11	11	11	11	11	11	11
Number of ball fields	11	11	11	11	11	11	11	11	11	11
Number of soccer fields	4	4	4	4	4	4	4	4	4	4
Number of community centers	2	3	3	3	3	2	2	2	2	2
Number of fitness centers	1	1	1	1	1	1	1	1	1	1
Number of swimming pools	1	1	1	1	1	1	1	1	1	1
Number of pavilions	18	18	18	18	18	18	18	18	18	18

Source: Various City departments.

Note: No capital asset indicators are available for the general government.



Independent Accountant's Report on Compliance with Certain State Acts

Honorable Jeff Elmore, Mayor
and Members of the City Council
City of Jacksonville, Arkansas
Jacksonville, Arkansas

We have examined management's assertions that the City of Jacksonville, Arkansas (City), complied with the requirements of the *Arkansas Act 15 of 1985* and the following Arkansas statutes during the year ended December 31, 2023.

1. Arkansas Municipal Accounting Law, §14-59-101 et seq.;
2. Arkansas District Courts and City Courts Accounting Law, §16-10-201 et seq.;
3. Improvement contracts, §§ 22-9-202 – 22-9-204;
4. Budgets, purchases and payments of claims, etc., § 14-58-201 et seq. and 14-58-301 et seq.;
5. Investment of public funds, § 19-1-501 et seq.;
6. Deposit of public funds, §§ 19-8-101 – 19-8-107.

Management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, management's assertion that the City of Jacksonville, Arkansas, complied, in all material respects, with the aforementioned requirements for the year ended December 31, 2023 is fairly stated, in all material respects.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

This report is intended solely for the information and use of the board of directors, management and the State of Arkansas, and is not intended to be and should not be used by anyone other than these specified parties.

Forvis Mazars, LLP
Little Rock, Arkansas
July 31, 2024



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

Honorable Jeff Elmore, Mayor
and Members of the City Council
City of Jacksonville, Arkansas
Jacksonville, Arkansas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Jacksonville, 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 basic financial statements, and have issued our report thereon dated July 31, 2024. Our report includes a reference to other auditors who audited the financial statements of Jacksonville Municipal Water Works and Jacksonville Wastewater Utility, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 opinion 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.

Honorable Jeff Elmore, Mayor
and Members of the City Council
City of Jacksonville, Arkansas

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, regulations, 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*.

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.

Forvis Mazars, LLP

**Little Rock, Arkansas
July 31, 2024**

Report on Compliance for the Major Federal Program and Report on Internal Control over Compliance

Independent Auditor's Report

Honorable Jeff Elmore, Mayor
and Members of the City Council
City of Jacksonville, Arkansas
Jacksonville, Arkansas

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the City of Jacksonville's (City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2023. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Honorable Jeff Elmore, Mayor
and Members of the City Council
City of Jacksonville, Arkansas

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

**Little Rock, Arkansas
July 31, 2024**



CITY OF JACKSONVILLE, ARKANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Awards Expended
<u>Department of Defense Programs</u>				
Direct Programs:				
Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	12.610	N/A	\$ -	\$ 52,490
Total Department of Defense			-	52,490
<u>Department of Housing and Urban Development Programs</u>				
Direct Programs:				
<i>CDBG Entitlement Grants Cluster</i>				
Community Development Block Grants/ Entitlement Grants	14.218	N/A	-	116,873
COVID - 19 Community Development Block Grants/ Entitlement Grant	14.218	N/A	-	54,591
<i>Total CDBG Entitlement Grants Cluster</i>			-	171,464
Total Department of Housing and Urban Development			-	171,464
<u>Department of Justice Programs</u>				
Direct Programs:				
Drug Task Force Overtime	16.000	N/A	-	18,014
Bulletproof Vest Partnership Program	16.607	N/A	-	10,051
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	-	25,036
Equitable Sharing Program	16.922	N/A	-	98,582
Total Department of Justice			-	151,685
<u>Department of Transportation Programs</u>				
<i>Highway Planning and Construction Cluster</i>				
Pass-Through From:				
Arkansas Department of Transportation Highway Planning and Construction	20.205	JOB #061527	-	6,371,583
Total Department of Transportation			-	6,371,583
<u>Department of Homeland Security</u>				
Pass-Through From:				
Arkansas Department of Emergency Management Tornado Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4698-DR-AR	-	172,657
<i>Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)</i>			-	172,657
Total Department of Homeland Security			-	172,657
<i>Total Expenditures of Federal Awards</i>			\$ -	\$ 6,919,879

CITY OF JACKSONVILLE, ARKANSAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED DECEMBER 31, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the City of Jacksonville, Arkansas (City) under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or other applicable federal guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Federal Loan Programs

The City did not have any federal loan programs during the year ended December 31, 2023.

CITY OF JACKSONVILLE, ARKANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 2023

Section I - Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statement audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

Unmodified Qualified Adverse Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) Identified? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit?

Yes No

Federal Awards

4. Internal control over compliance for the major federal awards program: applicable to major federal awards programs disclosed:

Significant deficiency(ies) identified? Yes None reported

Material weakness(es) identified? Yes No

5. Type of auditor's report issued on compliance for the major federal award program:

Unmodified Qualified Adverse Disclaimer

6. The audit disclosed findings required to be reported in accordance with 2 CFR 200.516(a)?

Yes No

7. Identification of the major federal program:

Cluster/Program

Highway Planning and Construction Cluster 20.205

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

9. The City qualified as a low-risk auditee?

Yes No

CITY OF JACKSONVILLE, ARKANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED DECEMBER 31, 2023

Section II - Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding
	No matters are reportable.

Section III - Findings Required to be Reported by the Uniform Guidance

Reference Number	Finding
	No matters are reportable.

CITY OF JACKSONVILLE, ARKANSAS

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED DECEMBER 31, 2023

Reference Number	Summary of Finding	Status
No matters are reportable		