

# **City of Manila, Arkansas**

## **Financial and Compliance Report**

**December 31, 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF MANILA, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 2023

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# Arkansas

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**Sen. Jim Dotson**  
Senate Vice Chair



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

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

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

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

We have performed certain limited procedures with respect to cash basis financial information and compliance with certain state laws and accepted accounting practices for the City of Manila, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated April 8, 2025. These procedures were not performed for the Water and Sewer Funds. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

Mayor: Tracey Reinhart  
Treasurer: Carla Brewer (appointed March 13, 2023)  
Cathy Huddleston (retired March 13, 2023)  
Clerk: Susie Parker  
District Court Clerk: Carla Brewer  
Police Chief: Jackie Hill

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

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

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

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink, appearing to read "Kevin White", written over a light blue horizontal line.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
April 8, 2025  
LOM105623

CITY OF MANILA, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds	Debt Service Fund (Sales and Use Tax Bonds, Series 2019)	Capital Projects Fund (Series 2019 Capital Improvements)	Pension Trust Fund (Firemen's Pension)
Cash and Investment Balance, January 1, 2023	\$ 1,572,557	\$ 1,822,001	\$ 371,492	\$ 274,262	\$ 330,357
Receipts:					
State aid	55,982	542,338			3,974
Federal aid		219,312			
Property taxes	165,868	45,185			14,283
Franchise fees	219,483				
Sales taxes	1,067,369	120,764	483,057		
Fines, forfeitures, and costs	19,404	1,480			
Interest	23,361	28,952	21,426	10,832	13,142
Local permits and fees	28,450				
Sanitation fees		326,502			
Recreation fees		160,107			
Rentals	184,250	238,751			
Airport fuel sales		100,918			
Donations	14,199	10,434			
Refunds	70,482			34,483	
Contribution from county	158,750				
Realized gain/(loss) on sale of investments					(7,500)
Other	209,121	20,490			500
Total Receipts	2,216,719	1,815,233	504,483	45,315	24,399
Disbursements:					
General government	859,498			9,271	
Law enforcement	707,827	119,690			
Highways and streets		501,248		27,215	
Public safety	403,825	19,433			43,523
Sanitation		333,342			
Recreation and culture	33,601	343,877		58,250	
Social services	3,604				
Airport		516,811			
Contribution to water department				32,958	
Contribution to sewer department				32,052	
Debt service	21,509	827	512,344		
Total Disbursements	2,029,864	1,835,228	512,344	159,746	43,523
Cash and Investment Balance, December 31, 2023	\$ 1,759,412	\$ 1,802,006	\$ 363,631	\$ 159,831	\$ 311,233

CITY OF MANILA, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 2

	Street	Sanitation	Parks and Recreation	Local Police and Fire Retirement	Court Automation	Municipal Airport	Fire Protection (Act 833)	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 222,855	\$ 116,801	\$ 152,160	\$ 5,766	\$ 684	\$ 625,494	\$ 2,735	\$ 695,506	\$ 1,822,001
Receipts:									
State aid	310,601		4,250			205,556	21,931		542,338
Federal aid						219,312			219,312
Property taxes	45,185								45,185
Sales taxes			120,764						120,764
Fines, forfeitures, and costs				37	1,443				1,480
Interest	4,042	2,594	558	110	37	9,348		12,263	28,952
Sanitation fees		326,502							326,502
Recreation fees			160,107						160,107
Rentals			13,828			224,923			238,751
Airport fuel sales						100,918			100,918
Donations			10,434						10,434
Other	2,957	14,777	192			2,564			20,490
Total Receipts	<u>362,785</u>	<u>343,873</u>	<u>310,133</u>	<u>147</u>	<u>1,480</u>	<u>762,621</u>	<u>21,931</u>	<u>12,263</u>	<u>1,815,233</u>
Disbursements:									
Law enforcement								119,690	119,690
Highways and streets	501,248								501,248
Public safety							19,433		19,433
Sanitation		333,342							333,342
Recreation and culture			343,877						343,877
Airport						516,811			516,811
Debt service	827								827
Total Disbursements	<u>502,075</u>	<u>333,342</u>	<u>343,877</u>			<u>516,811</u>	<u>19,433</u>	<u>119,690</u>	<u>1,835,228</u>
Cash Balance, December 31, 2023	<u>\$ 83,565</u>	<u>\$ 127,332</u>	<u>\$ 118,416</u>	<u>\$ 5,913</u>	<u>\$ 2,164</u>	<u>\$ 871,304</u>	<u>\$ 5,233</u>	<u>\$ 588,079</u>	<u>\$ 1,802,006</u>

CITY OF MANILA, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Schedule 3

1. Cash and investment balances on the Financial Schedules include demand and savings accounts, certificates of deposit and mutual funds. Investments are recorded at cost.

2. The General Fund column on the Financial Schedules includes the following bank accounts:  
General and Jail Fee

3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023
District Court	\$ 2,503
General Disbursements	15,495

These balances represent fines, forfeitures, and costs and payroll withholdings that have not been transferred to the appropriate entities.

4. The Municipality's capital assets records are summarized below:

	December 31, 2023
Land	\$ 2,120,286
Buildings	4,177,851
Improvements	4,716,402
Construction in progress	546,760
Equipment	1,771,103
Total	<u>\$ 13,332,402</u>

5. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2023
Bonds payable	\$ 3,770,000
Financed purchases	243,633
Compensated absences	9,120
Total	<u>\$ 4,022,753</u>

CITY OF MANILA, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Schedule 3

6. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2023
Sales and Use Tax Refunding and Improvement Bonds, Series 2019 issued to finance and refinance the cost of capital improvements, dated November 13, 2019, in the amount of \$4,810,000 due in semi-annual installments of varying amounts through October 1, 2045; interest at 2.5 - 3.0%. Payments are to be made from the Sales and Use Tax Bonds, Series 2019 Debt Service Fund.	\$ 3,770,000
Financed purchase refinanced with Cross County Bank dated April 3, 2023, in the amount of \$245,175, with an interest rate of 4.95% for the purchase of a building. Monthly installments due of \$1,719 for 5 years and a balloon payment of \$199,762 due at maturity on April 3, 2028. Payments are to be made from the General Fund.	239,565
Financed purchase with John Deere Credit dated May 5, 2021, in the amount of \$10,894, with an interest rate of 0% for the purchase of a Z-Trak Mower. Monthly payments of \$207 for 3 years with a balloon payment of \$3,447 due at maturity on May 6, 2024. Payments are to be made from General and Street Funds.	4,068
Total	<u>\$ 4,013,633</u>

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

Years Ending December 31,	Bonds	Financed Purchases	Total
2024	\$ 514,069	\$ 24,698	\$ 538,767
2025	218,369	20,631	239,000.00
2026	214,769	20,631	235,400.00
2027	211,169	20,631	231,800.00
2028	207,569	202,408	409,977.00
2029 through 2033	1,078,093		1,078,093.00
2034 through 2038	1,101,275		1,101,275.00
2039 through 2043	1,103,675		1,103,675.00
2044 through 2045	421,250		421,250.00
Total Obligations	5,070,238	288,999	5,359,237
Less Interest	1,300,238	45,366	1,345,604.00
Total Principal	<u>\$ 3,770,000</u>	<u>\$ 243,633</u>	<u>\$ 4,013,633</u>