

City of McCrory, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



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

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Arkansas



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Senate Vice Chair

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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 McCrory, 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 McCrory, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated January 21, 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: James Jackson
Financial Director/Treasurer: Robert Trotter
City Clerk: Lori Kendrick
District Court Clerk: Karen Harrison
Police Chief: Brad Bevills

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
January 21, 2025
LOM106123

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

Schedule 1

	General Fund	Special Revenue Funds	Browning Youth Permanent Fund
Cash Balance, January 1, 2023	\$ 286,942	\$ 655,667	\$ 75,000
Receipts:			
State aid	24,068	260,389	
Federal aid	146,536	32,099	
Property taxes	85,942	24,293	
Franchise fees	91,889		
Sales taxes	662,274		
Fines, forfeitures, and costs	113,291	17,051	
Interest	4,076	12,435	2,881
Local permits and fees	2,640	385	
Donations		1,364	
Insurance proceeds		13,175	
Rent	3,750		
Other	3,675	6,057	
Transfers in		300,797	
Total Receipts	<u>1,138,141</u>	<u>668,045</u>	<u>2,881</u>
Disbursements:			
General government	311,406	95	
Law enforcement	330,035	63,932	
Highways and streets		248,263	
Public safety	72,218	32,723	
Recreation and culture	19,014	6,478	
Economic development	160,503		
Ambulance fees	40,800		
Debt service		23,696	
Transfers out	283,336	14,580	2,881
Total Disbursements	<u>1,217,312</u>	<u>389,767</u>	<u>2,881</u>
Cash Balance, December 31, 2023	<u>\$ 207,771</u>	<u>\$ 933,945</u>	<u>\$ 75,000</u>

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

Schedule 2

	Street	Local Police and Fire Retirement (LOPFI)	District Court Automation	Fire Equipment and Training (Act 833)	Police Vehicle Maintenance	Intoximeter	Municipal Judge's and Clerk's Retirement	Canine/Drug Enforcement
Cash Balance, January 1, 2023	\$ 424,930	\$ 25,161	\$ 13,904	\$ 19,400	\$ 26,996	\$ 11,452	\$ 3,421	\$ 597
Receipts:								
State aid	133,536			27,331				
Federal aid								
Property taxes	17,379	6,914						
Fines, forfeitures, and costs			3,620		10,801	1,653	342	
Interest	12,093	342						
Local permits and fees								
Donations								
Insurance proceeds					13,175			
Other	5,894							
Transfers in	203,336	48,000						
Total Receipts	<u>372,238</u>	<u>55,256</u>	<u>3,620</u>	<u>27,331</u>	<u>23,976</u>	<u>1,653</u>	<u>342</u>	
Disbursements:								
General government								
Law enforcement			9,623					100
Highways and streets	248,263							
Public safety		31,539		1,184				
Recreation and culture								
Debt service	4,289			19,407				
Transfers out					14,580			
Total Disbursements	<u>252,552</u>	<u>31,539</u>	<u>9,623</u>	<u>20,591</u>	<u>14,580</u>			<u>100</u>
Cash Balance, December 31, 2023	<u>\$ 544,616</u>	<u>\$ 48,878</u>	<u>\$ 7,901</u>	<u>\$ 26,140</u>	<u>\$ 36,392</u>	<u>\$ 13,105</u>	<u>\$ 3,763</u>	<u>\$ 497</u>

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

Schedule 2

	Police Car Project	Parks Commission	Fire Truck and Equipment	City Project Account	Animal Control	Animal Shelter Project	Arcade	Raney Park Project	Total
Cash Balance, January 1, 2023		\$ 1,577	\$ 54,822	\$ 8,516	\$ 1,581	\$ 48,476	\$ 14,834		\$ 655,667
Receipts:									
State aid								\$ 99,522	260,389
Federal aid	\$ 32,099								32,099
Property taxes									24,293
Fines, forfeitures, and costs					635				17,051
Interest									12,435
Local permits and fees		200			185				385
Donations					1,364				1,364
Insurance proceeds									13,175
Other		163							6,057
Transfers in	14,580	2,881	12,000			20,000			300,797
Total Receipts	<u>46,679</u>	<u>3,244</u>	<u>12,000</u>		<u>2,184</u>	<u>20,000</u>		<u>99,522</u>	<u>668,045</u>
Disbursements:									
General government				95					95
Law enforcement	46,679				30	7,500			63,932
Highways and streets									248,263
Public safety									32,723
Recreation and culture		39		2,523				3,916	6,478
Debt service									23,696
Transfers out									14,580
Total Disbursements	<u>46,679</u>	<u>39</u>		<u>2,618</u>	<u>30</u>	<u>7,500</u>		<u>3,916</u>	<u>389,767</u>
Cash Balance, December 31, 2023	<u>\$ 0</u>	<u>\$ 4,782</u>	<u>\$ 66,822</u>	<u>\$ 5,898</u>	<u>\$ 3,735</u>	<u>\$ 60,976</u>	<u>\$ 14,834</u>	<u>\$ 95,606</u>	<u>\$ 933,945</u>

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

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.

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

	December 31, 2023
District Court	\$ 22,988

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

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

	December 31, 2023
Land	\$ 76,985
Buildings	1,114,604
Equipment	963,570
Total	\$ 2,155,159

4. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2023
Financed purchases	\$ 9,558