

**City of Nashville, Arkansas**

**Financial and Compliance Report**

**December 31, 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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

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# Arkansas

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**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Nashville, 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 Nashville, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated October 28, 2024. 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: Larry Dunaway  
City Clerk: Lauren Hoen  
Finance Director: Kimberly Green  
Park Director: Mehgan Floyd  
District Court Clerk: Cynthia Grady  
Police Chief: Amy Marion

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".

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
October 28, 2024  
LOM106723

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

Schedule 1

	General Fund	Special Revenue Funds	Debt Service Fund - 2020 Sales and Use Tax Refunding Bond Issue	Capital Projects Fund - Energy Conservation Project	Enterprise Fund - Sanitation	Pension Trust Fund - Firemen's Pension
Cash and Investment Balance, January 1, 2023	\$ 1,449,771	\$ 761,611	\$ 32,071	\$ 1,239	\$ 48,374	\$ 296,812
Receipts:						
State aid	420,548	350,333				3,643
Property taxes	246,149	69,119				
Franchise fees	308,390					
Sales taxes	2,796,283					
Fines, forfeitures, and costs	64,907					
Interest	14,297	1,888	3,638	227	723	12,935
Local permits and fees	31,086					
Contributions from water and sewer	8,550					
Sanitation fees					302,982	
Insurance proceeds	220,616					
Park activity and concessions		197,066				
Net increase/(decrease) in fair value of investments						21,484
Other	227,129	32,173			1,763	
Transfers in		596,336	134,946			
Total Receipts	<u>4,337,955</u>	<u>1,246,915</u>	<u>138,584</u>	<u>227</u>	<u>305,468</u>	<u>38,062</u>
Disbursements:						
General government	940,809			1,466		
Law enforcement	1,488,452					
Highways and streets		1,055,506				
Public safety	529,364					45,264
Sanitation					305,348	
Recreation and culture	591,391	181,313				
Water and sewer		241,660				
Contributions to animal control	36,115					
Contributions to water	109,800					
Debt service	205,822		134,690			
Transfers out	731,282					
Unclassified	3,123					
Total Disbursements	<u>4,636,158</u>	<u>1,478,479</u>	<u>134,690</u>	<u>1,466</u>	<u>305,348</u>	<u>45,264</u>
Cash and Investment Balance, December 31, 2023	<u>\$ 1,151,568</u>	<u>\$ 530,047</u>	<u>\$ 35,965</u>	<u>\$ 0</u>	<u>\$ 48,494</u>	<u>\$ 289,610</u>

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

Schedule 2

	<u>Street</u>	<u>Park Commission</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash and Investment Balance, January 1, 2023	\$ 52,475	\$ 73,372	\$ 635,764	\$ 761,611
Receipts:				
State aid	350,333			350,333
Property taxes	69,119			69,119
Interest	625	1,263		1,888
Park activity and concessions		197,066		197,066
Other	32,173			32,173
Transfers in	596,336			596,336
Total Receipts	<u>1,048,586</u>	<u>198,329</u>		<u>1,246,915</u>
Disbursements:				
Highways and streets	1,055,506			1,055,506
Recreation and culture		181,313		181,313
Water and sewer			241,660	241,660
Total Disbursements	<u>1,055,506</u>	<u>181,313</u>	<u>241,660</u>	<u>1,478,479</u>
Cash and Investment Balance, December 31, 2023	<u>\$ 45,555</u>	<u>\$ 90,388</u>	<u>\$ 394,104</u>	<u>\$ 530,047</u>

CITY OF NASHVILLE, 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, mutual funds, and equity funds.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
     General and Franchise Fee
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023
District Court - Traffic and Criminal	\$ 14,894
District Court - Civil and Small Claims	(48)
Disbursement	17,777

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

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

	December 31, 2023
Land	\$ 87,260
Buildings and Improvements	6,793,155
Equipment and Vehicles	2,803,063
Total	\$ 9,683,478

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

	December 31, 2023
Financed purchases	\$ 2,682,401
Bonds payable	885,963
Total	\$ 3,568,364

CITY OF NASHVILLE, 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 Bonds, Series 2020 dated August 25, 2020, in the amount of \$1,239,623, annual installments of \$12,008 - \$136,389 plus interest through November 1, 2030; interest of 1.85%, due May 1 and November 1 of each year. Payments are to be made from the 2020 Sales and Use Tax Refunding Bond Issue Debt Service Fund.	\$ 885,963
Financed purchase agreement dated November 5, 2021, in the amount of \$2,422,656 for the acquisition, installation, and construction of certain energy efficiency equipment, solar equipment, improvements, and renovations. Due in annual installments of \$62,037 - \$219,874 plus interest through July 1, 2041; interest at 2.929% due July 1 of each year beginning on July 1, 2023. Payments are to be made from the General Fund.	2,360,619
Financed purchase agreement dated January 25, 2023, in the amount of \$377,150 for the purchase of a Sutphen custom rescue pumper truck. 60 monthly installments of \$7,283 at 5.95% interest beginning February 25, 2023 through January 25, 2028. Payments are to be made from the General Fund.	321,782
Total	\$ 3,568,364

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

Years Ending December 31,	Financed Purchases	Bonds	Total
2024	\$ 230,211	\$ 136,225	\$ 366,436
2025	227,091	137,264	364,355
2026	231,380	133,125	364,505
2027	235,799	133,813	369,612
2028	160,244	134,313	294,557
2029 through 2033	838,058	278,224	1,116,282
2034 through 2038	924,382		924,382
2039 through 2041	659,026		659,026
Total Obligations	3,506,191	952,964	4,459,155
Less Interest	823,790	67,001	890,791
Total Principal	\$ 2,682,401	\$ 885,963	\$ 3,568,364