

City of Lake City, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF LAKE CITY, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

Financial and Compliance Report

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Arkansas

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Lake City, 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 Lake City, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated February 24, 2025. These procedures were not performed for the Water and Sewer and Mosquito 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 2024:

Mayor: Cameron Tate
Clerk/Treasurer: Lisa Sitz
Police Chief: Aaron Bupp (appointed January 15, 2024)
Winred Saffell (retired January 2, 2024)

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
February 24, 2025
LOM110624

CITY OF LAKE CITY, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2024	\$ 1,475,855	\$ 1,004,281
Receipts:		
State aid	39,591	262,527
Federal aid	7,400	
Property taxes	43,865	50,062
Franchise fees	121,455	
Sales taxes	806,785	108,916
Fines, forfeitures, and costs	110,332	
Interest	53,678	17,878
Local permits and fees	27,086	
Recreation fees	43,333	
Sanitation fees	168,770	
Reimbursement from Arkansas Department of Transportation		60,522
Loan proceeds	79,000	
Reimbursement from Riverside School District	8,110	
Other	90,915	7,969
Transfers in	11,774	
Total Receipts	<u>1,612,094</u>	<u>507,874</u>
Disbursements:		
General government	499,433	115,264
Law enforcement	227,056	159,175
Highways and streets		159,005
Public safety	11,846	90,469
Sanitation	264,850	
Recreation and culture	41,589	
Contributions to water and sewer department	181,844	
Debt service	23,692	
Transfers out		11,774
Total Disbursements	<u>1,250,310</u>	<u>535,687</u>
Cash Balance, December 31, 2024	<u>\$ 1,837,639</u>	<u>\$ 976,468</u>

CITY OF LAKE CITY, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Fire District</u>	<u>Fire Equipment and Training</u>	<u>Street Improvement</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 332,514	\$ 134,830	\$ 28,096	\$ 227,853	\$ 280,988	\$ 1,004,281
Receipts:						
State aid	191,269	32,044	39,214			262,527
Property taxes	28,787	21,275				50,062
Sales taxes				108,916		108,916
Interest	10,137	873	100	1,543	5,225	17,878
Reimbursement from Arkansas Department of Transportation				60,522		60,522
Other	7,769		200			7,969
Total Receipts	<u>237,962</u>	<u>54,192</u>	<u>39,514</u>	<u>170,981</u>	<u>5,225</u>	<u>507,874</u>
Disbursements:						
General government					115,264	115,264
Law enforcement					159,175	159,175
Highways and streets	142,430			16,575		159,005
Public safety		40,234	50,235			90,469
Transfers out					11,774	11,774
Total Disbursements	<u>142,430</u>	<u>40,234</u>	<u>50,235</u>	<u>16,575</u>	<u>286,213</u>	<u>535,687</u>
Cash Balance, December 31, 2024	<u>\$ 428,046</u>	<u>\$ 148,788</u>	<u>\$ 17,375</u>	<u>\$ 382,259</u>	<u>\$ 0</u>	<u>\$ 976,468</u>

CITY OF LAKE CITY, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 3

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

2. The General Fund column on the Financial Schedules includes the following bank accounts:
 General, Parks and Recreation, Cemetery, and Sanitation

3. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2024
Payroll	\$ 35,822

This balance represents payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2024
Land	\$ 235,659
Buildings	1,724,032
Equipment	1,906,632
Total	\$ 3,866,323

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

	December 31, 2024
Financed purchase	\$ 79,000