

City of Gassville, Arkansas

Financial and Compliance Report

December 31, 2023

*Including Financial Information
For
December 31, 2022*

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF GASSVILLE, ARKANSAS
TABLE OF CONTENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Financial and Compliance Report	<u>Schedule</u>
2023	
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
2022	
Schedule of Financial Information (Unaudited)	3
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	4
Combining Schedule of Financial Information – Pension Trust Funds (Unaudited)	5
2023 and 2022	
Other Information (Unaudited)	6

Arkansas

Sen. David Wallace
Senate Chair
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 Gassville, 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 Gassville, Arkansas, as of and for the year ended December 31, 2023. Additionally, we requested certain cash basis information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the year ended December 31, 2022, and have issued our report thereon dated December 10, 2024. These procedures were not performed for the Water and Sewer Department. 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 and 2022:

Mayor: Jeff Braim
Recorder/Treasurer: Jeff Lewis
District Court Clerk: Chris Flournoy (June 28, 2023 – December 31, 2023)
Jessica Hall (September 1, 2022 – June 20, 2023)
Amber Brunson (August 8, 2022 – September 1, 2022)
Jessica Hall (January 1, 2022 – July 16, 2022)
Police Chief: Tim Mayfield

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
December 10, 2024
LOM206123

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

Schedule 1

	General Fund	Special Revenue Funds	Pension Trust Fund (Denton Cemetery)
Cash Balance, January 1, 2023	\$ 745,343	\$ 695,321	\$ 2,087
Receipts:			
State aid	62,801	183,138	
Federal aid	5,861		
Property taxes	113,623	31,363	
Franchise fees	111,443		
Sales taxes	665,936	215,485	
Fines, forfeitures, and costs	67,581	5,692	
Interest	31,420	21,608	5
Local permits and fees	19,083		
Other	69,317	3,754	
Transfers in	2,092	85,902	
Total Receipts	<u>1,149,157</u>	<u>546,942</u>	<u>5</u>
Disbursements:			
General government	209,823		
Law enforcement	476,224	33,307	
Highways and streets		419,340	
Public safety	160,974	11,062	
Recreation and culture	72,104	2,675	
Social services	1,841		
Wastewater		218,489	
Transfers out	44,402	41,500	2,092
Unclassified	686		
Total Disbursements	<u>966,054</u>	<u>726,373</u>	<u>2,092</u>
Cash Balance, December 31, 2023	<u>\$ 928,446</u>	<u>\$ 515,890</u>	<u>\$ 0</u>

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

Schedule 2

	Street	Street Capital Improvement Savings	Local Police and Fire Retirement (LOPFI)	Criminal Justice	Court Automation	Park	American Rescue Plan Act	Johnson Street	Total
Cash Balance, January 1, 2023	\$ 431,190	\$ 2,491	\$ 26	\$ 6,697	\$ 12,652	\$ 4,795	\$ 217,125	\$ 20,345	\$ 695,321
Receipts:									
State aid	183,138								183,138
Property taxes	31,363								31,363
Sales taxes	215,485								215,485
Fines, forfeitures, and costs				765	4,927				5,692
Interest	18,330	59	8	158	350	205	1,364	1,134	21,608
Other	894					2,860			3,754
Transfers in	6,500	5,000	44,402					30,000	85,902
Total Receipts	<u>455,710</u>	<u>5,059</u>	<u>44,410</u>	<u>923</u>	<u>5,277</u>	<u>3,065</u>	<u>1,364</u>	<u>31,134</u>	<u>546,942</u>
Disbursements:									
Law enforcement			33,307						33,307
Highways and streets	419,340								419,340
Public safety			11,062						11,062
Recreation and culture						2,675			2,675
Wastewater							218,489		218,489
Transfers out	35,000	6,500							41,500
Total Disbursements	<u>454,340</u>	<u>6,500</u>	<u>44,369</u>			<u>2,675</u>	<u>218,489</u>		<u>726,373</u>
Cash Balance, December 31, 2023	<u>\$ 432,560</u>	<u>\$ 1,050</u>	<u>\$ 67</u>	<u>\$ 7,620</u>	<u>\$ 17,929</u>	<u>\$ 5,185</u>	<u>\$ 0</u>	<u>\$ 51,479</u>	<u>\$ 515,890</u>

CITY OF GASSVILLE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds	Pension Trust Funds
Cash and Investment Balance, January 1, 2022	\$ 535,594	\$ 497,791	\$ 207,036
Receipts:			
State aid	71,185	187,437	2,585
Federal aid	5,000	223,547	
Property taxes	103,619	27,985	
Franchise fees	106,094		
Sales taxes	637,578	201,279	
Fines, forfeitures, and costs	59,158	4,911	
Interest	15,894	16,636	1
Local permits and fees	7,854		
Net increase/(decrease) in fair value of investments			(35,485)
Other	21,691	4,489	53
Transfers in		84,948	12,740
Unclassified	223		
Total Receipts	<u>1,028,296</u>	<u>751,232</u>	<u>(20,106)</u>
Disbursements:			
General government	181,514		
Law enforcement	381,881	27,480	
Highways and streets		238,921	
Public safety	142,257	8,404	22,546
Recreation and culture	40,855	2,386	
Social services	1,232		
Transfer of pension investments to LOPFI		64	162,233
Wastewater		227,447	
Debt service	20,907		
Transfers out	48,624	49,000	64
Unclassified	1,277		
Total Disbursements	<u>818,547</u>	<u>553,702</u>	<u>184,843</u>
Cash and Investment Balance, December 31, 2022	<u>\$ 745,343</u>	<u>\$ 695,321</u>	<u>\$ 2,087</u>

CITY OF GASSVILLE, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 4

	Street	Street Capital Improvement Savings	Local Police and Fire Retirement (LOPFI)	Criminal Justice	Court Automation	Park	American Rescue Plan Act	Johnson Street	Total
Cash Balance, January 1, 2022	\$ 250,663	\$ 16,313	\$ 21	\$ 5,496	\$ 8,942	\$ 2,826	\$ 213,530		\$ 497,791
Receipts:									
State aid	187,437								187,437
Federal aid							223,547		223,547
Property taxes	27,985								27,985
Sales taxes	201,279								201,279
Fines, forfeitures, and costs				1,201	3,710				4,911
Interest	8,503	178	5			110	7,495	\$ 345	16,636
Other	244					4,245			4,489
Transfers in	21,500	7,500	35,948					20,000	84,948
Total Receipts	<u>446,948</u>	<u>7,678</u>	<u>35,953</u>	<u>1,201</u>	<u>3,710</u>	<u>4,355</u>	<u>231,042</u>	<u>20,345</u>	<u>751,232</u>
Disbursements:									
Law enforcement			27,480						27,480
Highways and streets	238,921								238,921
Public safety			8,404						8,404
Recreation and culture						2,386			2,386
Transfer of pension investments to LOPFI			64						64
Wastewater							227,447		227,447
Transfers out	27,500	21,500							49,000
Total Disbursements	<u>266,421</u>	<u>21,500</u>	<u>35,948</u>			<u>2,386</u>	<u>227,447</u>		<u>553,702</u>
Cash Balance, December 31, 2022	<u>\$ 431,190</u>	<u>\$ 2,491</u>	<u>\$ 26</u>	<u>\$ 6,697</u>	<u>\$ 12,652</u>	<u>\$ 4,795</u>	<u>\$ 217,125</u>	<u>\$ 20,345</u>	<u>\$ 695,321</u>

CITY OF GASSVILLE, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - PENSION TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 5

	Firemen's Pension and Relief	Denton Cemetery	Total
Cash and Investment Balance, January 1, 2022	\$ 204,950	\$ 2,086	\$ 207,036
Receipts:			
State aid	2,585		2,585
Interest		1	1
Net increase/(decrease) in fair value of investments	(35,485)		(35,485)
Other	53		53
Transfers in	12,740		12,740
Total Receipts	(20,107)	1	(20,106)
Disbursements:			
Public safety	22,546		22,546
Transfer of pension investments to LOPFI	162,233		162,233
Transfers out	64		64
Total Disbursements	184,843		184,843
Cash Balance, December 31, 2022	\$ 0	\$ 2,087	\$ 2,087

CITY OF GASSVILLE, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
 (UNAUDITED)

Schedule 6

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, Cemetery, Police, Capital Improvement, and Fire Department
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023	December 31, 2022
District Court	\$ 16,294	\$ 11,955
Administration of Justice	76	14

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

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

	December 31, 2023	December 31, 2022
Land	\$ 515,075	\$ 515,075
Equipment	1,273,665	1,150,848
Totals	\$ 1,788,740	\$ 1,665,923

5. The City received federal funding in the following amount related to COVID-19 relief:

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 223,547