

**City of Junction City, Arkansas**

**Financial and Compliance Report**

**December 31, 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF JUNCTION CITY, 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 Junction 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 Junction City, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated August 5, 2024. These procedures were not performed for the Water and Sewer Systems. 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: Sharon Williams  
Recorder/Treasurer: Gail Sehon  
Police Chief: Vacant (December 16, 2023 – December 31, 2023)  
Aaron Galbraith (resigned December 15, 2023)

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

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
August 5, 2024  
LOM209723

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

Schedule 1

	General Fund	Special Revenue Funds	Pension Trust Fund - Firemen's Pension
Cash Balance, January 1, 2023	\$ 1,357,881	\$ 386,044	\$ 15,368
Receipts:			
State aid	64,639	68,693	
Property taxes	24,071	7,868	2,097
Franchise fees	25,594		
Sales taxes	356,515		
Fines, forfeitures, and costs	2,085		
Interest	12,830	3,521	30
Other	15,405		
Transfers in	2,038		
Total Receipts	<u>503,177</u>	<u>80,082</u>	<u>2,127</u>
Disbursements:			
General government	350,600	37,210	
Law enforcement	21,813		
Highways and streets		23,430	
Public safety	14,470	26,273	
Sanitation	43,874		
Recreation and culture	8,764		
Transfers out		2,038	
Total Disbursements	<u>439,521</u>	<u>88,951</u>	
Cash Balance, December 31, 2023	<u>\$ 1,421,537</u>	<u>\$ 377,175</u>	<u>\$ 17,495</u>

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

Schedule 2

	Street	Fire Equipment and Training (ACT 833)	Local Police and Fire Retirement	Ambulance	Rural Community Grant Fun Park	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 163,041	\$ 76,198	\$ 78,242	\$ 877	\$ 1,468	\$ 66,218	\$ 386,044
Receipts:							
State aid	42,431	26,262					68,693
Property taxes	7,868						7,868
Interest	323	625	2,512		3	58	3,521
Total Receipts	50,622	26,887	2,512		3	58	80,082
Disbursements:							
General government						37,210	37,210
Highways and streets	23,430						23,430
Public safety		26,273					26,273
Transfers out			1,161	877			2,038
Total Disbursements	23,430	26,273	1,161	877		37,210	88,951
Cash Balance, December 31, 2023	\$ 190,233	\$ 76,812	\$ 79,593	\$ 0	\$ 1,471	\$ 29,066	\$ 377,175

CITY OF JUNCTION CITY, 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. The Municipality's capital assets records are summarized below:

	<u>December 31,</u> <u>2023</u>
Land	\$ 56,458
Buildings	87,831
Equipment	<u>606,418</u>
Total	<u><u>\$ 750,707</u></u>