

City of Junction City, Arkansas

Financial and Compliance Report

December 31, 2025

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF JUNCTION CITY, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

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 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, 2025, and have issued our report thereon dated August 25, 2026. 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 2025:

Mayor: Sharon Williams
Recorder/Treasurer: Gail Sehon

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 dark ink, appearing to read "Kevin White", with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
August 25, 2026
LOM209725

CITY OF JUNCTION CITY, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds	Pension Trust Fund - Fireman's Pension
Cash Balance, January 1, 2025	\$ 1,500,659	\$ 377,840	\$ 19,581
Receipts:			
State aid	22,474	75,556	
Property taxes	24,281	7,874	2,097
Franchise fees	26,416		
Sales taxes	363,828		
Fines, forfeitures, and costs	2,749		
Interest	18,395	6,492	52
Other		561	
Total Receipts	<u>458,143</u>	<u>90,483</u>	<u>2,149</u>
Disbursements:			
General government	281,197	60	
Law enforcement	48,222		
Highways and streets	89,919	25,872	
Public safety	53,357	33,119	
Sanitation	55,260		
Recreation and culture	20,938	233	
Total Disbursements	<u>548,893</u>	<u>59,284</u>	
Cash Balance, December 31, 2025	<u>\$ 1,409,909</u>	<u>\$ 409,039</u>	<u>\$ 21,730</u>

CITY OF JUNCTION CITY, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2025
 (UNAUDITED)

Schedule 2

	Street	Fire Equipment and Training (ACT 833)	Local Police and Fire Retirement	Rural Community Grant Fun Park	Total
Cash Balance, January 1, 2025	\$ 214,370	\$ 79,366	\$ 82,630	\$ 1,474	\$ 377,840
Receipts:					
State aid	42,503	33,053			75,556
Property taxes	7,874				7,874
Interest	570	2,291	3,628	3	6,492
Other	561				561
Total Receipts	<u>51,508</u>	<u>35,344</u>	<u>3,628</u>	<u>3</u>	<u>90,483</u>
Disbursements:					
General government				60	60
Highways and streets	25,872				25,872
Public safety		33,119			33,119
Recreation and culture				233	233
Total Disbursements	<u>25,872</u>	<u>33,119</u>		<u>293</u>	<u>59,284</u>
Cash Balance, December 31, 2025	<u>\$ 240,006</u>	<u>\$ 81,591</u>	<u>\$ 86,258</u>	<u>\$ 1,184</u>	<u>\$ 409,039</u>

CITY OF JUNCTION CITY, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025
(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:

	December 31, 2025
Land	\$ 56,458
Buildings	87,831
Equipment	612,120
Total	\$ 756,409