

City of Marshall, Arkansas

Financial and Compliance Report

December 31, 2024 and 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF MARSHALL, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

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Arkansas

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Sen. Jim Dotson
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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Marshall, 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 Marshall, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated November 12, 2025. 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 finding contained in this section relates to the following officials who held office during 2024 and 2023:

Mayor: Kevin Elliott
Recorder/Treasurer: Misty England
Police Chief: Kevin Ward

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.

Noncompliance with state law and accepted accounting practices was noted in the office of **Mayor**.

Mayor

The General Fund expenditures exceeded budgeted appropriations by \$213,191 (43%) and \$190,902 (40%) in 2024 and 2023, respectively, in noncompliance with Ark. Code Ann. § 14-58-203.

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 horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
November 12, 2025
LOM212224

CITY OF MARSHALL, 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	\$ 191,788	\$ 256,480
Receipts:		
State aid	19,764	170,327
Federal aid		7,400
Property taxes	79,094	23,768
Franchise fees	83,170	
Sales taxes	406,592	276,177
Fines, forfeitures, and costs	615	10,894
Interest	6	
Fire dues		5,360
Rent	19,950	
Sale of property	151,000	
Other	118,548	539
Transfers in		58,351
Total Receipts	<u>878,739</u>	<u>552,816</u>
Disbursements:		
General government	229,866	3,848
Law enforcement	178,231	268,268
Highways and streets		136,849
Public safety	20,781	6,456
Sanitation	171,721	
Recreation and culture	4,668	
Community development	6,751	
Contribution to water	38,500	
Transfers out	58,351	
Total Disbursements	<u>708,869</u>	<u>415,421</u>
Cash Balance, December 31, 2024	<u>\$ 361,658</u>	<u>\$ 393,875</u>

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

Schedule 2

	<u>Street</u>	<u>Detention and Jail</u>	<u>Fire Department</u>	<u>District Court Automation</u>	<u>American Rescue Plan Act</u>	<u>Marshall Police Department</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 72,491	\$ 133,104	\$ 36,818	\$ 10,219	\$ 3,848		\$ 256,480
Receipts:							
State aid	109,285		11,042			\$ 50,000	170,327
Federal aid						7,400	7,400
Property taxes	23,768						23,768
Sales taxes			34,522			241,655	276,177
Fines, forfeitures, and costs		6,975		3,919			10,894
Fire Dues			5,360				5,360
Other			519			20	539
Transfers in						58,351	58,351
Total Receipts	<u>133,053</u>	<u>6,975</u>	<u>51,443</u>	<u>3,919</u>		<u>357,426</u>	<u>552,816</u>
Disbursements:							
General government					3,848		3,848
Law enforcement				3,854		264,414	268,268
Highways and streets	136,849						136,849
Public safety			6,456				6,456
Total Disbursements	<u>136,849</u>		<u>6,456</u>	<u>3,854</u>	<u>3,848</u>	<u>264,414</u>	<u>415,421</u>
Cash Balance, December 31, 2024	<u>\$ 68,695</u>	<u>\$ 140,079</u>	<u>\$ 81,805</u>	<u>\$ 10,284</u>	<u>\$ 0</u>	<u>\$ 93,012</u>	<u>\$ 393,875</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 92,048	\$ 206,990
Receipts:		
State aid	20,206	135,701
Federal aid	14,000	37,910
Property taxes	146,304	44,134
Franchise fees	76,819	
Sales taxes	402,273	
Fines, forfeitures, and costs	46,110	6,241
Interest	541	329
Fire dues		7,760
Rent	17,300	16,859
Other	40,655	
Transfers in		12,390
Total Receipts	<u>764,208</u>	<u>261,324</u>
Disbursements:		
General government	190,832	40
Law enforcement	286,454	5,845
Highways and streets		192,315
Public safety	5,947	5,032
Sanitation	167,462	
Recreation and culture	1,383	8,602
Transfers out	12,390	
Total Disbursements	<u>664,468</u>	<u>211,834</u>
Cash Balance, December 31, 2023	<u>\$ 191,788</u>	<u>\$ 256,480</u>

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

Schedule 4

	<u>Street</u>	<u>Detention and Jail</u>	<u>Fire Protection</u>	<u>District Court Automation</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 28,817	\$ 128,464	\$ 23,871	\$ 13,374	\$ 12,464	\$ 206,990
Receipts:						
State aid	125,482		10,219			135,701
Federal aid	37,910					37,910
Property taxes	44,134					44,134
Fines, forfeitures, and costs		4,640		1,601		6,241
Interest	278			25	26	329
Fire dues			7,760			7,760
Other	15,795			1,064		16,859
Transfers in	12,390					12,390
Total Receipts	<u>235,989</u>	<u>4,640</u>	<u>17,979</u>	<u>2,690</u>	<u>26</u>	<u>261,324</u>
Disbursements:						
General government					40	40
Law enforcement				5,845		5,845
Highways and streets	192,315					192,315
Public safety			5,032			5,032
Recreation and culture					8,602	8,602
Total Disbursements	<u>192,315</u>		<u>5,032</u>	<u>5,845</u>	<u>8,642</u>	<u>211,834</u>
Cash Balance, December 31, 2023	<u>\$ 72,491</u>	<u>\$ 133,104</u>	<u>\$ 36,818</u>	<u>\$ 10,219</u>	<u>\$ 3,848</u>	<u>\$ 256,480</u>

CITY OF MARSHALL, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
 (UNAUDITED)

Schedule 5

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

2. The General Fund column on the Financial Schedules includes the following bank accounts:
 General, Rent, and Raccoon Springs

3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2024	December 31, 2023
Police Bond and Fine	\$ 4,711	\$ 2,295
Administration of Justice	3,584	3,584

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, 2024	December 31, 2023
Land	\$ 3,200	\$ 3,200
Buildings and Improvements	967,645	936,167
Equipment	1,482,617	1,402,181
Totals	\$ 2,453,462	\$ 2,341,548