

**City of Mayflower, Arkansas**

**Financial and Compliance Report**

**December 31, 2024**



CITY OF MAYFLOWER, 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 Mayflower, 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 Mayflower, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated July 29, 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 findings contained in this section relate to the following officials who held office during 2024:

Mayor: Danny Hester  
Recorder: Barbara Mathes  
Treasurer: Crystal Hatfield  
District Court Clerk: Danielle Rappold  
Police Chief: Douglas Hunter

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**

A review of funds collected at the Community Center revealed prenumbered receipts were not issued for all funds received, in noncompliance with Ark. Code Ann. § 14-59-109. In addition, during 2024, the Mayor collected three checks totaling \$750 for Community Center rental fees. According to the Mayor, these checks were locked in his office and never deposited. During a Council meeting on February 13, 2025, a Council member recommended that the checks not be deposited due to the length of time they had been outstanding. The Mayor provided a schedule of events held at the Community Center; however, without receipts being issued, we were unable to determine the amount of rental fees that should have been collected.

Proper authorization was not obtained from city council for purchases made over \$5,000, as required by City Ordinance 2022-03. This ordinance establishes the purchase authority of the mayor at \$5,000 without the need to put the matter before the city council for a voice vote regarding the particular purchase or contract.

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  
July 29, 2025  
LOM212424

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

Schedule 1

	General Fund	Special Revenue Funds	Capital Projects Fund - Community Center and Police Building
Cash Balance, January 1, 2024	\$ 543,496	\$ 1,859,920	\$ 11,173
Receipts:			
State aid	33,735	192,451	
Federal aid	11,579	285,107	
Property taxes	156,354	54,565	
Franchise fees	116,174		
Sales taxes	924,522	543,166	
Fines, forfeitures, and costs	204,248	38,811	
Interest	23,180	102,523	630
Local permits and fees	25,127		
Insurance proceeds	13,842	5,415	
Donations		5,266	
Sale of fixed assets		50,000	
Fire dues		278,107	
Reimbursement law enforcement	46,907		
Other	46,130	25,007	
Transfers in	277,466	13,031	
Total Receipts	<u>1,879,264</u>	<u>1,593,449</u>	<u>630</u>
Disbursements:			
General government	315,988		
Law enforcement	1,435,762	65,845	
Highways and streets	45,137	529,029	
Public safety	9,276	648,921	
Recreation and culture	61,427		
Wastewater	2,837		
Debt service	185,012	79,994	
Transfers out	13,031	277,466	
Total Disbursements	<u>2,068,470</u>	<u>1,601,255</u>	
Cash Balance, December 31, 2024	<u>\$ 354,290</u>	<u>\$ 1,852,114</u>	<u>\$ 11,803</u>

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

Schedule 2

	Street	American Rescue Plan Act	Street 1% Sales Tax	Administration of Justice	Volunteer Fire Department	Police Vehicle and Maintenance	Total
Cash Balance, January 1, 2024	\$ 196,815	\$ 384,882	\$ 1,096,976	\$ 46,908	\$ 128,982	\$ 5,357	\$ 1,859,920
Receipts:							
State aid	163,146				29,305		192,451
Federal aid					285,107		285,107
Property taxes	54,565						54,565
Sales taxes			543,166				543,166
Fines, forfeitures, and costs				29,195		9,616	38,811
Interest	10,570	19,478	62,641	3,183	6,108	543	102,523
Insurance proceeds						5,415	5,415
Donations					5,266		5,266
Sale of fixed assets					50,000		50,000
Fire dues					278,107		278,107
Other	3,860		2,481		18,666		25,007
Transfers in		13,031					13,031
Total Receipts	<u>232,141</u>	<u>32,509</u>	<u>608,288</u>	<u>32,378</u>	<u>672,559</u>	<u>15,574</u>	<u>1,593,449</u>
Disbursements:							
Law enforcement		58,093		6,185		1,567	65,845
Highways and streets	188,751		340,278				529,029
Public safety					648,921		648,921
Debt service			79,994				79,994
Transfers out		80,566	154,000		42,900		277,466
Total Disbursements	<u>188,751</u>	<u>138,659</u>	<u>574,272</u>	<u>6,185</u>	<u>691,821</u>	<u>1,567</u>	<u>1,601,255</u>
Cash Balance, December 31, 2024	<u>\$ 240,205</u>	<u>\$ 278,732</u>	<u>\$ 1,130,992</u>	<u>\$ 73,101</u>	<u>\$ 109,720</u>	<u>\$ 19,364</u>	<u>\$ 1,852,114</u>

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

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
     General Fund and Matching Grant Reserve
3. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2024
District Court	\$      39,725

This balance represents 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
Land	\$      83,603
Buildings & improvements	2,431,401
Equipment	2,302,262
Total	\$    4,817,266

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

	December 31, 2024
Financed purchases	\$      257,958