

**City of Murfreesboro, Arkansas**

**Financial and Compliance Report**

**December 31, 2023 and 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF MURFREESBORO, ARKANSAS  
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# Arkansas



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Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Murfreesboro, 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 Murfreesboro, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated January 24, 2025. These procedures were not performed for the Municipal Water and Sewer Funds. 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: Jim O'Neal (2023)  
Rodney Fagan (2022)  
Recorder/Treasurer: Penny Lamb  
District Court Clerk: Tessa Jackson (2023)  
Patricia Robbins (2022)  
Police Chief: Randy Lamb  
Park Commission Chairperson: Robbie Crocker  
Advertising and Promotion Chairperson: Jamie Terrell (2023)  
Jack Bonds (2022)

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  
January 24, 2025  
LOM213823

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

Schedule 1

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2023	\$ 823,754	\$ 1,072,566
Receipts:		
State aid	36,557	153,558
Federal aid		9,281
Property taxes	47,718	11,929
Franchise fees	122,818	
Sales taxes	531,577	246,350
Fines, forfeitures, and costs	37,380	11,918
Interest	14,364	12,365
Local permits and fees	21,680	
Advertising and promotion taxes		98,128
Sanitation fees	38,754	
Loan proceeds	18,353	
Other	9,963	39,522
Transfers in		1,198
Unclassified		10,397
Total Receipts	<u>879,164</u>	<u>594,646</u>
Disbursements:		
General government	202,575	
Law enforcement	346,151	17,978
Highways and streets	295	293,238
Public safety	341,387	44,229
Sanitation	179,841	
Recreation and culture	83	188,365
Community development		130,812
Industrial development		4,232
Water and sewer	2,922	
Debt service	29,579	37,298
Transfers out	1,198	
Contribution to water department		37,782
Total Disbursements	<u>1,104,031</u>	<u>753,934</u>
Cash Balance, December 31, 2023	<u>\$ 598,887</u>	<u>\$ 913,278</u>

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

Schedule 2

	Street	Criminal Justice	Fire Training and Equipment (Act 833)	District Court Cost	Economic Development	Court Automation	Police Special	Advertising and Promotion Commission
Cash Balance, January 1, 2023	\$ 388,933	\$ 4,728	\$ 28,736	\$ 2,937	\$ 17,895	\$ 53,903	\$ 2,425	\$ 149,903
Receipts:								
State aid	126,113		27,445					
Federal aid								
Property taxes	11,929							
Sales taxes	134,068				3,352			
Fines, forfeitures, and costs		2,355		396		7,208		
Interest	7,064	109	22	55	292	919	45	
Advertising and promotion taxes								98,128
Other	29,663						190	3,500
Transfers in								
Unclassified								10,397
Total Receipts	<u>308,837</u>	<u>2,464</u>	<u>27,467</u>	<u>451</u>	<u>3,644</u>	<u>8,127</u>	<u>235</u>	<u>112,025</u>
Disbursements:								
Law enforcement				310		15,046		
Highways and streets	283,855							
Public safety			19,959					
Recreation and culture								
Community development								130,812
Industrial development					4,232			
Debt service	7,300							26,237
Contribution to water department								
Total Disbursements	<u>291,155</u>		<u>19,959</u>	<u>310</u>	<u>4,232</u>	<u>15,046</u>		<u>157,049</u>
Cash Balance, December 31, 2023	<u>\$ 406,615</u>	<u>\$ 7,192</u>	<u>\$ 36,244</u>	<u>\$ 3,078</u>	<u>\$ 17,307</u>	<u>\$ 46,984</u>	<u>\$ 2,660</u>	<u>\$ 104,879</u>

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

Schedule 2

	Fire and Rescue	Lake Greeson Sub Station	Municipal Judge and Clerk Retirement	Park Commission	American Rescue Plan Act	City Service Building	ACEDP Grant	Total
Cash Balance, January 1, 2023	\$ 889	\$ 18,267	\$ 223	\$ 52,084	\$ 330,755	\$ 20,888		\$ 1,072,566
Receipts:								
State aid								153,558
Federal aid							\$ 9,281	9,281
Property taxes								11,929
Sales taxes				108,930				246,350
Fines, forfeitures, and costs			1,959					11,918
Interest	1	17	16	623	2,939	263		12,365
Advertising and promotion taxes								98,128
Other	847			5,322				39,522
Transfers in			1,198					1,198
Unclassified								10,397
Total Receipts	<u>848</u>	<u>17</u>	<u>3,173</u>	<u>114,875</u>	<u>2,939</u>	<u>263</u>	<u>9,281</u>	<u>594,646</u>
Disbursements:								
Law enforcement			2,622					17,978
Highways and streets							9,383	293,238
Public safety		2,021			22,249			44,229
Recreation and culture				119,481	65,000	3,884		188,365
Community development								130,812
Industrial development								4,232
Debt service				3,761				37,298
Contribution to water department					37,782			37,782
Total Disbursements		<u>2,021</u>	<u>2,622</u>	<u>123,242</u>	<u>125,031</u>	<u>3,884</u>	<u>9,383</u>	<u>753,934</u>
Cash Balance, December 31, 2023	<u>\$ 1,737</u>	<u>\$ 16,263</u>	<u>\$ 774</u>	<u>\$ 43,717</u>	<u>\$ 208,663</u>	<u>\$ 17,267</u>	<u>\$ (102)</u>	<u>\$ 913,278</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2022	\$ 690,831	\$ 901,831
Receipts:		
State aid	43,833	152,157
Federal aid		164,293
Property taxes	44,088	11,022
Franchise fees	113,585	
Sales taxes	513,539	237,080
Fines, forfeitures, and costs	43,267	12,902
Interest	4,526	4,719
Local permits and fees	17,685	
Advertising and promotion taxes		87,947
Sanitation fees	44,025	
Community development	3,222	
Other	7,212	38,263
Transfers in		19,288
Unclassified		8,540
Total Receipts	<u>834,982</u>	<u>736,211</u>
Disbursements:		
General government	166,700	
Law enforcement	316,367	13,597
Highways and streets	1,377	210,558
Public safety	44,140	30,018
Sanitation	148,009	
Recreation and culture	3,176	130,981
Community development		117,856
Industrial development		2,121
Water and sewer	3,002	
Debt service		60,345
Transfers out	19,288	
Total Disbursements	<u>702,059</u>	<u>565,476</u>
Cash Balance, December 31, 2022	<u>\$ 823,754</u>	<u>\$ 1,072,566</u>

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

Schedule 4

	Street	Criminal Justice	Fire Training and Equipment (Act 833)	District Court Cost	New Sanitation Truck	Economic Development	Court Automation	Police Special	Beautification
Cash Balance, January 1, 2022	\$ 332,215	\$ 2,367	\$ 29,657	\$ 2,642	\$ 9,486	\$ 16,686	\$ 54,949	\$ 2,311	\$ 4
Receipts:									
State aid	129,073		23,084						
Federal aid									
Property taxes	11,022								
Sales taxes	129,023					3,226			
Fines, forfeitures, and costs		2,338		394			8,225		
Interest	2,264	23	25	17	25	104	337	14	
Advertising and promotion taxes									
Other	5,893							120	
Transfers in					18,288				
Unclassified									
Total Receipts	<u>277,275</u>	<u>2,361</u>	<u>23,109</u>	<u>411</u>	<u>18,313</u>	<u>3,330</u>	<u>8,562</u>	<u>134</u>	
Disbursements:									
Law enforcement				116			9,608	20	
Highways and streets	210,558								
Public safety			24,030						
Recreation and culture									4
Community development									
Industrial development						2,121			
Debt service	9,999				27,799				
Total Disbursements	<u>220,557</u>		<u>24,030</u>	<u>116</u>	<u>27,799</u>	<u>2,121</u>	<u>9,608</u>	<u>20</u>	<u>4</u>
Cash Balance, December 31, 2022	<u>\$ 388,933</u>	<u>\$ 4,728</u>	<u>\$ 28,736</u>	<u>\$ 2,937</u>	<u>\$ 0</u>	<u>\$ 17,895</u>	<u>\$ 53,903</u>	<u>\$ 2,425</u>	<u>\$ 0</u>



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

Schedule 4

	Advertising and Promotion Commission	Fire and Rescue	Lake Greeson Sub Station	Municipal Judge and Clerk Retirement	Park Commission	American Rescue Plan Act	City Service Building	Total
Cash Balance, January 1, 2022	\$ 182,191	\$ 3,763	\$ 20,567	\$ 1,126	\$ 78,957	\$ 164,910		\$ 901,831
Receipts:								
State aid								152,157
Federal aid						164,293		164,293
Property taxes								11,022
Sales taxes					104,831			237,080
Fines, forfeitures, and costs				1,945				12,902
Interest		1	20	5	226	1,552	\$ 106	4,719
Advertising and promotion taxes	87,947							87,947
Other	2,200	793			5,780		23,477	38,263
Transfers in				1,000				19,288
Unclassified	8,540							8,540
Total Receipts	<u>98,687</u>	<u>794</u>	<u>20</u>	<u>2,950</u>	<u>110,837</u>	<u>165,845</u>	<u>23,583</u>	<u>736,211</u>
Disbursements:								
Law enforcement				3,853				13,597
Highways and streets								210,558
Public safety		3,668	2,320					30,018
Recreation and culture					128,282		2,695	130,981
Community development	117,856							117,856
Industrial development								2,121
Debt service	13,119				9,428			60,345
Total Disbursements	<u>130,975</u>	<u>3,668</u>	<u>2,320</u>	<u>3,853</u>	<u>137,710</u>		<u>2,695</u>	<u>565,476</u>
Cash Balance, December 31, 2022	<u>\$ 149,903</u>	<u>\$ 889</u>	<u>\$ 18,267</u>	<u>\$ 223</u>	<u>\$ 52,084</u>	<u>\$ 330,755</u>	<u>\$ 20,888</u>	<u>\$ 1,072,566</u>

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

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, New Fire Truck, New Police Vehicle, and Fireman's Fund.
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023	December 31, 2022
Police Bond and Fine	\$ 435	\$ 310
District Court - City	1,749	9,549
District Court - County	26,805	21,217
District Court - Civil Claims	310	205
District Court - Small Claims		68

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	\$ 94,445	\$ 94,445
Buildings	480,463	480,463
Equipment	1,849,327	1,456,552
Totals	\$ 2,424,235	\$ 2,031,460

5. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2023	December 31, 2022
Financed purchases	\$ 198,118	\$ 239,298

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 164,293