City of Alexander, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE

CITY OF ALEXANDER, ARKANSAS
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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Alexander, 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 Alexander, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated July 8, 2026. 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:

Mayor: Crystal Herrmann
Recorder: Sharon Bankhead
Treasurer: Vacant
District Court Clerk: Janet Guess
Police Chief: Robert Burnett (resigned December 17, 2024)

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, noncompliance with state law and accepted accounting practices was noted in the office of the **Treasurer**.

Treasurer

Accounting procedures for municipalities are set forth in Ark. Code Ann. §§ 14-59-101 – 14-59-119. The City was not in compliance with these Code sections and other accounting procedures as follows:

- Prenumbered receipts were not issued for all funds received.
- Cash receipts journals were not properly posted and reconciled with bank deposits.
- Monthly bank reconciliations were prepared but were not accurate.
- A detailed fixed asset listing was not maintained to include additions, deletions, and a control total.

A similar finding was noted in the previous two reports.

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

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
July 8, 2026
LOM221724

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

Schedule 1

	General Fund	Special Revenue Funds	Debt Service Fund
Cash Balance, January 1, 2024	$ 690,896	$ 856,563	$ 22,172
Receipts:			
State aid	147,330	307,776	
Federal aid		15,151	
Property taxes	59,117	58,790	
Franchise fees	124,113		
Sales taxes	797,066	1,849,374	
Fines, forfeitures, and costs	47,608	326,007	
Interest	14,875	9,891	77
Local permits and fees	18,260	2,955	
Sale of equipment		74,225	
Donations	722		
Other	20,279	23,820	
Total Receipts	1,229,370	2,667,989	77
Disbursements:			
General government	458,141		
Law enforcement	35,920	965,176	
Highways and streets		264,357	
Public safety		905,258	
Recreation and culture		201,763	
Debt service	26,888	77,346	
Total Disbursements	520,949	2,413,900	
Cash Balance, December 31, 2024	$ 1,399,317	$ 1,110,652	$ 22,249

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

Schedule 2

	Street	Police Department	Fire Department	Parks and Recreation	Court Automation	Administration of Justice	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	$ 62,125	$ 99,132	$ 189,171	$ 150,525	$ 7,524	$ 49,963	$ 298,123	$ 856,563
Receipts:								
State aid	278,351		29,425					307,776
Federal aid		15,151						15,151
Property taxes	58,790							58,790
Sales taxes		577,929	1,040,273	231,172				1,849,374
Fines, forfeitures, and costs		190,434			3,878	131,695		326,007
Interest	1,479	1,072	3,555	2,390	112	830	453	9,891
Local permits and fees		1,550	1,405					2,955
Sale of equipment		42,500	31,600	125				74,225
Other	3,496	5,675	7,775	6,874				23,820
Total Receipts	342,116	834,311	1,114,033	240,561	3,990	132,525	453	2,667,989
Disbursements:								
Law enforcement		835,427			4,219	125,530		965,176
Highways and streets	264,357							264,357
Public safety			905,258					905,258
Recreation and culture				201,763				201,763
Debt service		8,000	69,346					77,346
Total Disbursements	264,357	843,427	974,604	201,763	4,219	125,530		2,413,900
Cash Balance, December 31, 2024	$ 139,884	$ 90,016	$ 328,600	$ 189,323	$ 7,295	$ 56,958	$ 298,576	$ 1,110,652

CITY OF ALEXANDER, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(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 and Events

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

	December 31, 2024
Police Bond and Fine	$ 50,517
Payroll	16,667

These balances represent fines, forfeitures, and costs and payroll taxes that have not been transferred to the appropriate entities.

4. The Municipality's capital assets records are summarized below:

	December 31, 2024
Land	$ 521,000
Buildings	865,000
Equipment	3,211,228
Total	$ 4,597,228

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

	December 31, 2024
Financed purchases	$ 794,067