

**Town of Fulton, Arkansas**

**Financial and Compliance Report**

**December 31, 2023 and 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF FULTON, ARKANSAS  
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# Arkansas



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**Sen. Jim Dotson**  
Senate Vice Chair

**Rep. Robin Lundstrum**  
House Chair  
**Rep. RJ Hawk**  
House Vice Chair

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Town of Fulton, 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 Town of Fulton, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated March 25, 2025. These procedures were not performed for the Water Department. Management of the Town 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 2023 and 2022:

Mayor: Henry Hale III  
Recorder/Treasurer: Frances Hendrix

We evaluated the Town's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

Noncompliance with state law and accepted accounting practices was noted in the offices of **Mayor** and **Recorder/Treasurer**.

#### **Mayor and Recorder/Treasurer:**

As of December 31, 2023, \$16,635 was due to the Street Fund from the General Fund for state aid for highway turnback from previous years. On September 7, 2023, the Legislative Joint Auditing Committee approved the Town's request to repay \$200 per month rather than 10% of general revenues, as required by Ark. Code Ann. § 27-70-207, for monies owed from the General Fund to the Street Fund. The Town made payments totaling \$2,600 and \$2,400 for the years 2023 and 2022, respectively. A similar finding was issued in the previous six reports dating back to 2010.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local Town 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  
March 25, 2025  
LOM306323

TOWN OF FULTON, 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	\$ 13,434	\$ 93,166
Receipts:		
State aid	1,749	30,279
Property taxes	9,974	1,185
Franchise fees	3,100	
Sales taxes	21,926	
Interest	22	402
Donations		1,472
Other	5,874	2,335
Transfers in		2,600
Unclassified	100	3
Total Receipts	<u>42,745</u>	<u>38,276</u>
Disbursements:		
General government	43,623	
Highways and streets		12,060
Public safety		9,546
Recreation and culture		2,021
Water		24,662
Debt service		12,981
Transfers out	2,600	
Unclassified	1,564	
Total Disbursements	<u>47,787</u>	<u>61,270</u>
Cash Balance, December 31, 2023	<u>\$ 8,392</u>	<u>\$ 70,172</u>

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

Schedule 2

	Street	Fire Protection Act 833	Volunteer Fire Department	Recreation Fun Park Grant	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 56,462	\$ 5,512	\$ 4,018	\$ 2,339	\$ 24,835	\$ 93,166
Receipts:						
State aid	9,701	20,578				30,279
Property taxes	1,185					1,185
Interest	362	19	3	3	15	402
Donations			1,472			1,472
Other		2,335				2,335
Transfers in	2,600					2,600
Unclassified		3				3
Total Receipts	<u>13,848</u>	<u>22,935</u>	<u>1,475</u>	<u>3</u>	<u>15</u>	<u>38,276</u>
Disbursements:						
Highways and streets	12,060					12,060
Public safety		4,339	5,207			9,546
Recreation and culture				2,021		2,021
Water					24,662	24,662
Debt service		12,981				12,981
Total Disbursements	<u>12,060</u>	<u>17,320</u>	<u>5,207</u>	<u>2,021</u>	<u>24,662</u>	<u>61,270</u>
Cash Balance, December 31, 2023	<u>\$ 58,250</u>	<u>\$ 11,127</u>	<u>\$ 286</u>	<u>\$ 321</u>	<u>\$ 188</u>	<u>\$ 70,172</u>

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

Schedule 3

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2022	\$ 13,061	\$ 94,897
Receipts:		
State aid	1,716	29,648
Federal aid		20,200
Property taxes	8,799	1,053
Franchise fees	2,848	
Sales taxes	21,745	
Interest	13	71
Donations		6,537
Other	4,449	1,317
Transfers in		2,400
Unclassified		1,565
Total Receipts	<u>39,570</u>	<u>62,791</u>
Disbursements:		
General government	34,724	
Highways and streets		13,619
Public safety		12,294
Recreation and culture		10,050
Water		8,078
Debt service	2,073	12,981
Transfers out	2,400	
Contributions to water		7,500
Total Disbursements	<u>39,197</u>	<u>64,522</u>
Cash Balance, December 31, 2022	<u>\$ 13,434</u>	<u>\$ 93,166</u>

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

Schedule 4

	Street	Fire Protection Act 833	Volunteer Fire Department	Recreation Fun Park Grant	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 55,081	\$ 5,244	\$ 1,984	\$ 12,387	\$ 20,201	\$ 94,897
Receipts:						
State aid	9,929	19,719				29,648
Federal aid					20,200	20,200
Property taxes	1,053					1,053
Interest	53	2	2	2	12	71
Donations			6,537			6,537
Other		1,301	16			1,317
Transfers in	2,400					2,400
Unclassified	1,565					1,565
Total Receipts	<u>15,000</u>	<u>21,022</u>	<u>6,555</u>	<u>2</u>	<u>20,212</u>	<u>62,791</u>
Disbursements:						
Highways and streets	13,619					13,619
Public safety		7,773	4,521			12,294
Recreation and culture				10,050		10,050
Water					8,078	8,078
Debt service		12,981				12,981
Contributions to water					7,500	7,500
Total Disbursements	<u>13,619</u>	<u>20,754</u>	<u>4,521</u>	<u>10,050</u>	<u>15,578</u>	<u>64,522</u>
Cash Balance, December 31, 2022	<u>\$ 56,462</u>	<u>\$ 5,512</u>	<u>\$ 4,018</u>	<u>\$ 2,339</u>	<u>\$ 24,835</u>	<u>\$ 93,166</u>

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

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.

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

	December 31, 2023	December 31, 2022
Buildings	\$ 252,152	\$ 252,152
Equipment	102,633	94,883
Totals	\$ 354,785	\$ 347,035

The Municipality's capital assets records did not contain cost amounts for land.

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

	December 31, 2023	December 31, 2022
Financed purchases	\$ 25,220	\$ 36,379

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 20,200