

Town of Menifee, Arkansas

Financial and Compliance Report

December 31, 2023 and 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF MENIFEE, ARKANSAS
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Arkansas

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Sen. John Payton
Senate Vice Chair



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House Chair
Rep. Richard Womack
House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Menifee, 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 Menifee, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated September 20, 2024. These procedures were not performed for the Water and Sewer 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: Terry Coleman (2023)
Gary Green (2022)
Recorder/Treasurer: Pamela Coleman
District Court Clerk: Daron Goodrich (Hired June 1, 2023)
Alyssa Gullett (Hired January 1, 2023, Resigned March 31, 2023)
Donna Rappold (Resigned December 31, 2022)
Police Chief: John Randall

We evaluated the Town'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 offices of the **Mayor** and the **District Court Clerk**.

District Court Clerk

The District Court Clerk was in noncompliance with Ark. Code Ann. § 16-10-209 and other proper accounting procedures as enumerated below.

- Cash receipts journal was not reconciled monthly to bank deposits.
- Monthly bank reconciliation was not prepared.
- Cash disbursements journal was not reconciled monthly to bank disbursements.
- Receipts were not deposited in a timely manner and bank deposit slips did not consistently indicate the range of receipts deposited.

A similar finding was issued in the previous two reports.

Mayor

An annual audit or agreed-upon procedures report and compilation was not submitted to Arkansas Legislative Audit for the Town's Water and Sewer Department for 2022 and 2021, as required by Ark. Code Ann. § 14-234-119.

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" with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
September 20, 2024
LOM310623

TOWN OF MENIFEE, 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	\$ 86,662	\$ 153,616
Receipts:		
State aid	4,166	23,114
Federal aid	6,750	44,842
Property taxes	25,984	17,274
Franchise fees	12,850	
Sales taxes	218,231	
Fines, forfeitures, and costs	11,941	2,107
Local permits and fees	7,985	
Rental income	6,090	
National Trust for Historic Preservation Grant	50,000	
Sanitation fees		25,506
Other	36,861	
Transfers in		20,621
Unclassified	470	
Total Receipts	<u>381,328</u>	<u>133,464</u>
Disbursements:		
General government	117,904	
Law enforcement	135,409	58,832
Highways and streets		34,930
Public safety	1,189	
Sanitation		24,977
Recreation and culture	6,964	
Contributions to water and sewer	6,300	
Transfers out	20,621	
Sales taxes remitted to water and sewer	42,150	
Unclassified	118	
Total Disbursements	<u>330,655</u>	<u>118,739</u>
Cash Balance, December 31, 2023	<u>\$ 137,335</u>	<u>\$ 168,341</u>

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

Schedule 2

	<u>Street</u>	<u>Dump</u>	<u>Court Automation</u>	<u>Police Equipment</u>	<u>Police Vehicle Building Grant</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 77,815	\$ 1,246	\$ 4,121	\$ 4,758		\$ 65,676	\$ 153,616
Receipts:							
State aid	23,114						23,114
Federal aid				4,000	\$ 40,842		44,842
Property taxes	17,274						17,274
Fines, forfeitures, and costs			2,107				2,107
Sanitation fees		25,506					25,506
Transfers in					20,621		20,621
Total Receipts	<u>40,388</u>	<u>25,506</u>	<u>2,107</u>	<u>4,000</u>	<u>61,463</u>		<u>133,464</u>
Disbursements:							
Law enforcement			3,777	107	54,948		58,832
Highways and streets	34,930						34,930
Sanitation		24,977					24,977
Total Disbursements	<u>34,930</u>	<u>24,977</u>	<u>3,777</u>	<u>107</u>	<u>54,948</u>		<u>118,739</u>
Cash Balance, December 31, 2023	<u>\$ 83,273</u>	<u>\$ 1,775</u>	<u>\$ 2,451</u>	<u>\$ 8,651</u>	<u>\$ 6,515</u>	<u>\$ 65,676</u>	<u>\$ 168,341</u>

TOWN OF MENIFEE, 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	\$ 154,026	\$ 152,273
Receipts:		
State aid	14,853	23,656
Federal aid		69,838
Property taxes	7,600	5,060
Franchise fees	14,105	
Sales taxes	211,830	
Fines, forfeitures, and costs	24,880	1,933
Local permits and fees	855	
Rental income	11,737	
Sanitation fees		22,825
Other	19,131	
Transfers in		13,035
Unclassified	925	
Total Receipts	<u>305,916</u>	<u>136,347</u>
Disbursements:		
General government	132,969	
Law enforcement	163,423	5,008
Highways and streets		56,347
Public safety	1,121	50,035
Sanitation		23,449
Recreation and culture	2,405	
Contributions to water and sewer	6,300	
Debt service	11,641	
Transfers out	13,035	
Sales taxes remitted to water and sewer	41,094	
Unclassified	1,292	165
Total Disbursements	<u>373,280</u>	<u>135,004</u>
Cash Balance, December 31, 2022	<u>\$ 86,662</u>	<u>\$ 153,616</u>

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

Schedule 4

	<u>Street</u>	<u>Dump</u>	<u>Court Automation</u>	<u>Police Equipment</u>	<u>Storm Warning Siren Grant</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2022	\$ 105,611	\$ 1,870	\$ 7,783	\$ 4,171		\$ 32,838	\$ 152,273
Receipts:							
State aid	23,656						23,656
Federal aid					\$ 37,000	32,838	69,838
Property taxes	5,060						5,060
Fines, forfeitures, and costs			1,163	770			1,933
Sanitation fees		22,825					22,825
Transfers in					13,035		13,035
Total Receipts	<u>28,716</u>	<u>22,825</u>	<u>1,163</u>	<u>770</u>	<u>50,035</u>	<u>32,838</u>	<u>136,347</u>
Disbursements:							
Law enforcement			4,825	183			5,008
Highways and streets	56,347						56,347
Public safety					50,035		50,035
Sanitation		23,449					23,449
Unclassified	165						165
Total Disbursements	<u>56,512</u>	<u>23,449</u>	<u>4,825</u>	<u>183</u>	<u>50,035</u>		<u>135,004</u>
Cash Balance, December 31, 2022	<u>\$ 77,815</u>	<u>\$ 1,246</u>	<u>\$ 4,121</u>	<u>\$ 4,758</u>	<u>\$ 0</u>	<u>\$ 65,676</u>	<u>\$ 153,616</u>

TOWN OF MENIFEE, 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 and Recreation
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2023	December 31, 2022
District Court Fund	\$ 8,713	\$ 409

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	\$ 7,402	\$ 7,402
Buildings	908,819	908,819
Equipment	380,500	354,411
Totals	\$ 1,296,721	\$ 1,270,632

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 32,838