

**Town of Jericho, Arkansas**

**Financial and Compliance Report**

**December 31, 2024**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF JERICO, 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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**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 Jericho, 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 Jericho, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated February 6, 2026. These procedures were not performed for the Wastewater Fund. 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 2024:

Mayor: Ida Shumpert  
Recorder/Treasurer: Elaine Dupree  
District Court Clerk: Vacant  
Police Chief: Roy Hill

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, Recorder/Treasurer, and Police Chief**.

#### **Mayor and Police Chief**

Fines and costs revenue of \$47,356 exceeded 30% of the Town's expenditures in the preceding year by \$17,692, in noncompliance with Ark. Code Ann. § 12-8-403. The revenue was generated from traffic offense citations written by or arrests made by the Town's law enforcement personnel. A similar finding was noted in the previous report.

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

1. Schedule 1 of this report shows a deficit balance of \$614 in the General Fund. It was brought to our attention that as of December 31, 2024, the General Fund owed a significant amount to the Street Fund. As shown in Note 6 on Schedule 3, when this outstanding account was considered, the General Fund had a deficit balance of \$58,322. A similar finding was noted in the previous 4 reports dating back to 2020.
2. Restricted funds of \$57,708 were not transferred to the Street Fund from the General Fund, as required by Ark. Code Ann. § 27-70-207. The Town received approval by the Legislative Joint Auditing Committee on February 9, 2024, to pay \$100 and \$200 alternating each month for three years and pay \$300 monthly thereafter, which would total \$1,500 in the current year beginning March 2024. However, the Town only paid \$1,007 (67%) of the 2024 amount owed. A similar finding was noted in the previous 16 reports dating back to 2001.

#### **Recorder/Treasurer**

The cash receipts journal for General Fund was not properly classified, as required by Ark. Code Ann. § 14-59-110. A similar finding was noted in the prior report.

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  
February 6, 2026  
LOM3182

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

Schedule 1

	General Fund	Special Revenue Funds	Capital Projects Fund (City Park)
	<u>          </u>	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2024	\$ 5,919	\$ 63,175	
Receipts:			
State aid	1,457	8,059	\$ 100,000
Property taxes	3,709	412	
Franchise fees	2,384		
Sales taxes	12,260		
Fines, forfeitures, and costs	47,356		
Other	1,432		
Transfers in		1,007	
Total Receipts	<u>68,598</u>	<u>9,478</u>	<u>100,000</u>
Disbursements:			
General government	25,150		
Law enforcement	45,374		
Highways and streets		2,222	
Public safety		195	
Recreation and culture			112
Debt service	3,600		
Transfers out	1,007		
Total Disbursements	<u>75,131</u>	<u>2,417</u>	<u>112</u>
Cash Balance, December 31, 2024	<u>\$ (614)</u>	<u>\$ 70,236</u>	<u>\$ 99,888</u>

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

Schedule 2

	<u>Street</u>	<u>Fire Equipment and Training</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 62,643	\$ 532	\$ 63,175
Receipts:			
State aid	8,059		8,059
Property taxes	412		412
Transfers in	1,007		1,007
Total Receipts	<u>9,478</u>		<u>9,478</u>
Disbursements:			
Highways and streets	2,222		2,222
Public safety		195	195
Total Disbursements	<u>2,222</u>	<u>195</u>	<u>2,417</u>
Cash Balance, December 31, 2024	<u>\$ 69,899</u>	<u>\$ 337</u>	<u>\$ 70,236</u>

TOWN OF JERICO, 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 and Police Miscellaneous
3. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2024
Police Bond and Fine	\$ 1,548

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	\$ 5,217
Buildings	183,560
Equipment	157,765
Total	\$ 346,542

TOWN OF JERICO, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(UNAUDITED)

Schedule 3

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

	December 31, 2024
Court ordered default judgment	<u>\$ 4,800</u>

On March 27, 2015, the Town was court ordered to pay a default judgment of \$39,900 to First Government Lease Company. Monthly payments of \$300 with zero interest are required until paid in full.

6. The schedules included on our Financial and Compliance Reports are typically cash basis. We are including additional information here, as it was brought to our attention that the General Fund owed a significant amount to the Street Fund at December 31, 2023. The information below begins with the cash balances for the General and Street Funds. The computation includes changes to the cash balances for outstanding amounts owed at year end.

	General	Street
Balances as of December 31, 2024		
Cash balances per accountant's report	\$ (614)	\$ 69,899
Due to Street Fund	(57,708)	
Due from General Fund		<u>57,708</u>
Restated balances as of December 31, 2024	<u>\$ (58,322)</u>	<u>\$ 127,607</u>