

Town of Montrose, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF MONTROSE, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2023

Financial and Compliance Report

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Senate Vice Chair



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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Montrose, 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 Montrose, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated December 18, 2024. These procedures were not performed for the Water and Sewer Departments. Management of the Town 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:

Mayor: Joseph Carlton
City Clerk/Recorder: Cindy Friend

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.

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 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
December 18, 2024
LOM320723

TOWN OF MONTROSE, 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	\$ 8,397	\$ 49,841
Receipts:		
State aid	3,695	30,583
Property taxes	8,021	1,373
Franchise fees	11,904	
Sales taxes	40,155	
Fines, forfeitures, and costs		2,651
Interest	1	
Local permits and fees	75	
Donations	3,775	200
Mosquito fees	2,580	
Sanitation fees	24,413	
Contributions from water and sewer	4,850	
Other	4,118	202
Transfers in		3,695
Unclassified	856	144
Total Receipts	<u>104,443</u>	<u>38,848</u>
Disbursements:		
General government	67,401	22
Highways and streets		22,016
Public safety	8,296	12,515
Sanitation	24,056	
Recreation and culture	375	
Wastewater	567	14,861
Debt service	533	
Transfers out	2,995	700
Contribution to sewer	435	
Unclassified	1,203	
Total Disbursements	<u>105,861</u>	<u>50,114</u>
Cash Balance, December 31, 2023	<u>\$ 6,979</u>	<u>\$ 38,575</u>

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

Schedule 2

	<u>Street</u>	<u>ACT 833</u>	<u>Criminal Justice</u>	<u>Fire Department</u>	<u>Firewise</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 4,328	\$ 25,072	\$ 2,543	\$ 2,626	\$ 411	\$ 14,861	\$ 49,841
Receipts:							
State aid	20,569	10,014					30,583
Property taxes	875			498			1,373
Fines, forfeitures, and costs			2,651				2,651
Donations				200			200
Other		202					202
Transfers in	957		700	2,038			3,695
Unclassified	144						144
Total Receipts	<u>22,545</u>	<u>10,216</u>	<u>3,351</u>	<u>2,736</u>			<u>38,848</u>
Disbursements:							
General government				22			22
Highways and streets	22,016						22,016
Public safety		10,943		1,572			12,515
Wastewater						14,861	14,861
Transfers out		700					700
Total Disbursements	<u>22,016</u>	<u>11,643</u>		<u>1,594</u>		<u>14,861</u>	<u>50,114</u>
Cash Balance, December 31, 2023	<u>\$ 4,857</u>	<u>\$ 23,645</u>	<u>\$ 5,894</u>	<u>\$ 3,768</u>	<u>\$ 411</u>	<u>\$ 0</u>	<u>\$ 38,575</u>

TOWN OF MONTROSE, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (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, Sales Tax, Heritage Festival, Mosquito Abatement, Sanitation, and Special

3. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2023
Check Free Pay	\$ 1,172

This balance represents bill payments that have not been withdrawn by the appropriate entities.

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

	December 31, 2023
Land	\$ 94,500
Buildings	294,000
Equipment	508,051
Total	\$ 896,551