

City of Fordyce, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF FORDYCE, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2024

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Fordyce, 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 Fordyce, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated May 20, 2026. These procedures were not performed for the Water and Sewer Funds. Management of the City 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: John MacNichol
Recorder/Treasurer: Kyle Nichols
District Court Clerk: Erika Davis
Police Chief: Chad Hubanks

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.

Noncompliance with state law and accepted accounting practices was noted in the office of **District Court Clerk**.

District Court Clerk

The District Court Clerk was in noncompliance with Ark. Code Ann. § 16-10-209 in that bank reconciliations were not prepared, and disbursement journals were not properly maintained and reconciled to bank withdrawals. A similar finding was issued in the previous report.

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

A handwritten signature in dark ink, appearing to read "Kevin White", with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
May 20, 2026
LOM103524

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

Schedule 1

	General Fund	Special Revenue Funds	Firemen's Pension and Relief Trust Fund
Cash and Investment Balances, January 1, 2024	\$ 1,466,910	\$ 1,209,833	\$ 502,946
Receipts:			
State aid	57,369	292,757	4,752
Federal aid	93,007	7,400	
Property taxes	114,508	36,293	
Franchise fees	236,827		
Sales taxes	737,695	491,797	
Fines, forfeitures, and costs	169,573	71,837	
Interest	4,399	2,061	30,271
Local permits and fees	12,300		
Rental income	4,700	19,125	
Loan proceeds	109,915		
Contribution from water and sewer	18,200		
Realized gain on investments			15,612
Other	41,492	50,446	
Transfers in		18,400	
Total Receipts	<u>1,599,985</u>	<u>990,116</u>	<u>50,635</u>
Disbursements:			
General government	317,577	11	
Law enforcement	979,909	78,655	
Highways and streets		391,449	
Public safety	335,577	304,760	74,215
Recreation and culture	5,360	480,489	
Airport	2,227	10,714	
Debt service	4,155		
Transfers out	18,400		
Unclassified	3,482		
Total Disbursements	<u>1,666,687</u>	<u>1,266,078</u>	<u>74,215</u>
Cash and Investment Balances, December 31, 2024	<u>\$ 1,400,208</u>	<u>\$ 933,871</u>	<u>\$ 479,366</u>

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

Schedule 2

	Street	LOPFI	Criminal Justice	Breathalyzer	Fire Equipment and Training (Act 833)	Parks Operation and Maintenance	Airport Commission
Cash Balance, January 1, 2024	\$ 370,931	\$ 2,700	\$ 4,629	\$ 1,241	\$ 170,283	\$ 279,498	\$ 76,212
Receipts:							
State aid	279,256				13,501		
Federal aid							
Property taxes	36,293						
Sales taxes	81,966					409,831	
Fines, forfeitures, and costs			1,489	53			
Interest	716	1			456	508	192
Rental income						19,125	
Other	21,299				5,050	21,287	2,810
Transfers in					11,200		7,200
Total Receipts	<u>419,530</u>	<u>1</u>	<u>1,489</u>	<u>53</u>	<u>30,207</u>	<u>450,751</u>	<u>10,202</u>
Disbursements:							
General government							
Law enforcement							
Highways and streets	391,449						
Public safety		942			169,094		
Recreation and culture						480,489	
Airport							10,714
Total Disbursements	<u>391,449</u>	<u>942</u>			<u>169,094</u>	<u>480,489</u>	<u>10,714</u>
Cash Balance, December 31, 2024	<u>\$ 399,012</u>	<u>\$ 1,759</u>	<u>\$ 6,118</u>	<u>\$ 1,294</u>	<u>\$ 31,396</u>	<u>\$ 249,760</u>	<u>\$ 75,700</u>

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

Schedule 2

	District Court Automation	Prisoner Expense	Municipal Judge's Retirement	Emergency Vehicle (Police Special)	American Rescue Plan Act	Police Special Equipment	Total
Cash Balance, January 1, 2024	\$ 30,689	\$ 87,202	\$ 8,335	\$ 17,925	\$ 134,547	\$ 25,641	\$ 1,209,833
Receipts:							
State aid							292,757
Federal aid						7,400	7,400
Property taxes							36,293
Sales taxes							491,797
Fines, forfeitures, and costs	9,696	35,220	1,727	14,230		9,422	71,837
Interest					188		2,061
Rental income							19,125
Other							50,446
Transfers in							18,400
Total Receipts	9,696	35,220	1,727	14,230	188	16,822	990,116
Disbursements:							
General government					11		11
Law enforcement	12,630	44,764		11,250		10,011	78,655
Highways and streets							391,449
Public safety					134,724		304,760
Recreation and culture							480,489
Airport							10,714
Total Disbursements	12,630	44,764		11,250	134,735	10,011	1,266,078
Cash Balance, December 31, 2024	\$ 27,755	\$ 77,658	\$ 10,062	\$ 20,905	\$ 0	\$ 32,452	\$ 933,871

CITY OF FORDYCE, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts, certificates of deposit, and mutual funds.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, Sales Tax, Drug Control and Train Depot
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2024
Police Bond and Fine	\$ 250
District Court	142,526
Payroll	2,313
Administration of Justice	5,222

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
Buildings, Land and Improvements	\$ 2,511,748
Vehicles and Equipment	4,408,212
Total	<u>\$ 6,919,960</u>

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

	December 31, 2024
Financed purchase	<u>\$ 106,063</u>