

**City of Caraway, Arkansas**

**Financial and Compliance Report**

**December 31, 2023**



CITY OF CARAWAY, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 2023

Financial and Compliance Report

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# Arkansas

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

## **LEGISLATIVE JOINT AUDITING COMMITTEE** **ARKANSAS LEGISLATIVE AUDIT**

### Financial and Compliance Report

City of Caraway, 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 Caraway, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated June 4, 2024. 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 commentary contained in this section relates to the following officials who held office during 2023:

Mayor: Bo James  
Recorder/Treasurer: Rick Stevens  
Police Chief: Shannon Kelems

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.

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 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 black ink, appearing to read "Kevin White".

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
June 4, 2024  
LOM202423

CITY OF CARAWAY, 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	\$ 242,594	\$ 431,339
Receipts:		
State aid	17,226	125,231
Property taxes	19,036	9,082
Franchise fees	80,709	
Sales taxes	328,570	76,174
Fines, forfeitures, and costs	34,017	
Interest	2,707	1,498
Local permits and fees	11,771	4,711
Donations		1,550
Reimbursements	25,232	
Other	33,412	7,945
Transfers in	190,805	
Total Receipts	<u>743,485</u>	<u>226,191</u>
Disbursements:		
General government	310,676	502
Law enforcement	292,319	
Highways and streets	22,300	206,103
Public safety	29,756	17,515
Recreation and culture		6,757
Contributions to water and sewer department	51,771	
Transfers out		190,805
Total Disbursements	<u>706,822</u>	<u>421,682</u>
Cash Balance, December 31, 2023	<u>\$ 279,257</u>	<u>\$ 235,848</u>

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

Schedule 2

	Street	Fire Equipment and Training	Parks Commission	Industrial Development	Veteran's Memorial	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 116,718	\$ 45,236	\$ 15,753	\$ 1,504	\$ 758	\$ 251,370	\$ 431,339
Receipts:							
State aid	95,576	29,655					125,231
Property taxes	9,082						9,082
Sales taxes	76,174						76,174
Interest	859	233	75		4	327	1,498
Local permits and fees			4,711				4,711
Donations			1,050		500		1,550
Other	6,236	100	1,609				7,945
Total Receipts	<u>187,927</u>	<u>29,988</u>	<u>7,445</u>		<u>504</u>	<u>327</u>	<u>226,191</u>
Disbursements:							
General government				35	467		502
Highways and streets	206,103						206,103
Public safety		17,515					17,515
Recreation and culture			6,757				6,757
Transfers out						190,805	190,805
Total Disbursements	<u>206,103</u>	<u>17,515</u>	<u>6,757</u>	<u>35</u>	<u>467</u>	<u>190,805</u>	<u>421,682</u>
Cash Balance, December 31, 2023	<u>\$ 98,542</u>	<u>\$ 57,709</u>	<u>\$ 16,441</u>	<u>\$ 1,469</u>	<u>\$ 795</u>	<u>\$ 60,892</u>	<u>\$ 235,848</u>

CITY OF CARAWAY, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
 General, Factory Building Maintenance, and One Cent Sales Tax funds
3. The cash balance at year-end in the custodial funds is as follows:

	December 31, 2023
Tax Deposit	\$ 4,114

This balance represent payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2023
Land	\$ 55,795
Buildings	505,313
Equipment	848,286
Total	\$ 1,409,394