

City of Rector, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Financial and Compliance Report

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Rector, 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 Rector, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated July 9, 2025. These procedures were not performed for the Water and Sewer Department. 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 2024:

Mayor: Shawn Brandon
Recorder/Treasurer: Debi Boyd
Police Chief: Kelly Baker (appointed August 8, 2024)
Shain Casebier (appointed interim May 24, 2024)
Allen Haywood (retired May 24, 2024)

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", with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
July 9, 2025
LOM216224

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

Schedule 1

	General Fund	Special Revenue Funds	Trust Funds
Cash and Investment Balance, January 1, 2024	<u>\$ 551,762</u>	<u>\$ 1,809,548</u>	<u>\$ 337,444</u>
Receipts:			
State aid	27,691	192,714	
Property taxes	73,993	22,206	
Franchise fees	148,160		
Sales taxes	575,487	115,363	
Fines, forfeitures, and costs	32,470	17,928	
Interest	7,255	15,394	15,445
Local permits and fees	29,288	38,156	
Donations and fundraisers	8,603	78,331	
Rental income	170,000		
Sale of fixed assets	70,129		
Gain/(loss) on sale of investments			48,877
Other	36,779	9,911	
Total Receipts	<u>1,179,855</u>	<u>490,003</u>	<u>64,322</u>
Disbursements:			
General government	331,897		
Law enforcement	520,561	143,206	
Highways and streets		275,572	
Public safety	26,851	50,515	
Recreation and culture	18,834	68,041	75
Cemetery		45,318	
Wastewater		45,305	
Debt service	11,652	11,652	
Contribution to water department	40,000	31,307	
Total Disbursements	<u>949,795</u>	<u>670,916</u>	<u>75</u>
Cash and Investment Balance, December 31, 2024	<u><u>\$ 781,822</u></u>	<u><u>\$ 1,628,635</u></u>	<u><u>\$ 401,691</u></u>

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

Schedule 2

	Street	Community Center Maintenance	Special Fire (Act 833)	Court Automation	Police Depreciation	Airport	Woodland Heights Cemetery	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	\$ 476,441	\$ 126,344	\$ 43,965	\$ 6,230	\$ 43,285	\$ 31,717	\$ 819,117	\$ 262,449	\$ 1,809,548
Receipts:									
State aid	153,114		39,600						192,714
Property taxes	22,206								22,206
Sales taxes	115,363								115,363
Fines, forfeitures, and costs				2,464	15,464				17,928
Interest	3,203	2,144		52	150	219	9,626		15,394
Local permits and fees					3,108	4,500	30,548		38,156
Donations and fundraisers							78,331		78,331
Other	8,766				200		945		9,911
Total Receipts	<u>302,652</u>	<u>2,144</u>	<u>39,600</u>	<u>2,516</u>	<u>18,922</u>	<u>4,719</u>	<u>119,450</u>		<u>490,003</u>
Disbursements:									
Law enforcement								143,206	143,206
Highways and streets	235,462							40,110	275,572
Public safety			50,515						50,515
Recreation and culture		25,000					40,520	2,521	68,041
Cemetery							45,318		45,318
Wastewater								45,305	45,305
Debt service			11,652						11,652
Contribution to water department								31,307	31,307
Total Disbursements	<u>235,462</u>	<u>25,000</u>	<u>62,167</u>				<u>85,838</u>	<u>262,449</u>	<u>670,916</u>
Cash Balance, December 31, 2024	<u>\$ 543,631</u>	<u>\$ 103,488</u>	<u>\$ 21,398</u>	<u>\$ 8,746</u>	<u>\$ 62,207</u>	<u>\$ 36,436</u>	<u>\$ 852,729</u>	<u>\$ 0</u>	<u>\$ 1,628,635</u>

CITY OF RECTOR, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - PENSION TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 3

	Community Center Endowment	Woodland Heights Cemetery	Total
Cash and Investment Balance, January 1, 2024	\$ 121,752	\$ 215,692	\$ 337,444
Receipts:			
Interest	620	14,825	15,445
Gain/(loss) on sale of investments	11,856	37,021	48,877
Total Receipts	<u>12,476</u>	<u>51,846</u>	<u>64,322</u>
Disbursements:			
Recreation and culture	<u>75</u>		<u>75</u>
Cash and Investment Balance, December 31, 2024	<u><u>\$ 134,153</u></u>	<u><u>\$ 267,538</u></u>	<u><u>\$ 401,691</u></u>

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

Schedule 4

1. Cash balances on the Financial Schedules include demand and savings accounts, certificates of deposit, and mutual funds. (Investments are recorded at cost.)

2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, Community Center, and General Depreciation

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

	December 31, 2024
Land	\$ 229,845
Buildings	6,170,570
Equipment	1,600,940
Total	<u>\$ 8,001,355</u>

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

	December 31, 2024
Financed purchase	<u>\$ 58,018</u>