

City of Turrell, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF TURRELL, 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



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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

City of Turrell, 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 Turrell, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated January 21, 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: Charles Webster
Recorder: Megan Wilhoite
Treasurer: Vacant
City Clerk: LaNeesha Crockett
District Court Clerk: Kiara Greer
Police Chief: Gregory Todd Gray

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 offices of **Mayor and City Clerk**.

Mayor and City Clerk

Although Schedule 1 of this report shows a balance of \$149,959, 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 on Note 6 on Schedule 3, when these outstanding amounts were considered, the General Fund had a deficit balance of \$89,141. A similar finding was noted in the previous five reports dating back to 2018.

City Clerk

State aid for highway funds in previous years of \$239,100 owed to the Street Fund was not transferred during the engagement period, in noncompliance with Ark. Code Ann. §§ 26-79-104, 27-70-207. On June 14, 2024, the City obtained authorization from the Legislative Joint Auditing Committee for repayment of 5% of general revenues annually; however, only 2.4% (\$5,700) of general revenues were repaid in 2024. A similar finding was noted in the previous reports dating back to 2003.

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", written over a horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
January 21, 2026
LOM218624

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

Schedule 1

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2024	\$ 188,223	\$ 78,172
Receipts:		
State aid	7,688	64,015
Property taxes	29,906	3,444
Franchise fees	20,690	
Sales taxes	149,340	
Fines, forfeitures, and costs	2,792	
Local permits and fees	4,090	
Sanitation fees	20,948	
Other	1,506	
Transfers in		18,700
Total Receipts	<u>236,960</u>	<u>86,159</u>
Disbursements:		
General government	128,363	
Law enforcement	30,968	144
Highways and streets	4,456	42,937
Public safety	8,734	20,945
Sanitation	35,214	
Recreation and culture	5,381	
Debt service	8,931	6,000
Transfers out	18,700	
Water	34,477	
Total Disbursements	<u>275,224</u>	<u>70,026</u>
Cash Balance, December 31, 2024	<u>\$ 149,959</u>	<u>\$ 94,305</u>

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

Schedule 2

	<u>Street</u>	<u>Act 833</u>	<u>Court Automation</u>	<u>USDA Sanitation</u>	<u>Total</u>
Cash Balance, January 1, 2024	\$ 25,824	\$ 52,083	\$ 265		\$ 78,172
Receipts:					
State aid	42,513	21,502			64,015
Property taxes	3,444				3,444
Transfers in	5,700			\$ 13,000	18,700
Total Receipts	<u>51,657</u>	<u>21,502</u>		<u>13,000</u>	<u>86,159</u>
Disbursements:					
Law enforcement			144		144
Highways and streets	42,937				42,937
Public safety		20,945			20,945
Debt service	6,000				6,000
Total Disbursements	<u>48,937</u>	<u>20,945</u>	<u>144</u>		<u>70,026</u>
Cash Balance, December 31, 2024	<u>\$ 28,544</u>	<u>\$ 52,640</u>	<u>\$ 121</u>	<u>\$ 13,000</u>	<u>\$ 94,305</u>

CITY OF TURRELL, 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 Fire Department

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

	December 31, 2024
District Court	\$ 3,579

This balance represent 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	\$ 79,522
Buildings	214,110
Equipment	730,366
Total	\$ 1,023,998

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

	December 31, 2024
Financed purchases	\$ 27,714

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

Schedule 3

6. Deficit Fund Balance

The schedules included in our Financial and Compliance Reports are typically cash basis. We are including additional information here, as it was brought to our attention that the City of Turrell had a significant balance due to Street Fund at December 31, 2024. The information below begins with the cash balances for the General and Street Funds. The computation includes changes to the cash balances for the outstanding amounts owed at year end.

	<u>General Fund</u>	<u>Street Fund</u>
Balance as of December 31, 2024:		
Cash balance per accountant's report	\$ 149,959	\$ 28,544
Due to Street Fund	(239,100)	
Due from General Fund		<u>239,100</u>
Restated balances as of December 31, 2024	<u>\$ (89,141)</u>	<u>\$ 267,644</u>