City of Central City, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE

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

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LEGISLATIVE JOINT AUDITING COMMITTEE
ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Central City, 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 Central City, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated November 3, 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 findings contained in this section relate to the following officials who held office during 2024:

Mayor: Terry Wallace
Recorder/Treasurer: Judith Lynne Miller
Clerk/Bookkeeper: Tina Youngblood
District Court Clerk: Heidi Kelso
Police Chief: Daymon Blount

We evaluated the City 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, Recorder/Treasurer,** and **Clerk/Bookkeeper**.

Mayor

The 2024 budget resolution was passed at the January 25, 2024, council meeting; however, the budget was not available for inspection. Additionally, minutes were not always readily available for inspection, nor properly signed as required by Ark. Code Ann. § 14-55-205.

Mayor and Clerk/Bookkeeper

The following deficiencies were noted regarding the City's disbursements process, in noncompliance with Ark. Code Ann. § 14-59-105:

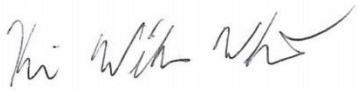
- Supporting documentation/invoices were not provided for tested disbursements totaling $10,511.
- Invoices totaling $2,864 were paid without adequate supporting documentation.
- Two checks totaling $2,498 did not have two authorizing signatures.

Recorder/Treasurer

Review of selected credit card transactions for the period January 1, 2021 through December 31, 2023, revealed disbursements totaling $985 with no supporting documentation or indication of a business purpose, in noncompliance with Ark. Code Ann. § 14-59-105; therefore, the validity of these disbursements could not be determined. In addition, the City incurred $137 in late fees related to credit card transactions.

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



Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
November 3, 2025
LOM221324

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

Schedule 1

	General Fund	Special Revenue Funds	Capital Projects Fund - Park Fund
Cash Balance, January 1, 2024	$ 21,412	$ 141,288	$ 1,739
Receipts:			
State aid	6,856	54,607	
Property taxes	36,328	10,599	
Franchise fees	17,136		
Sales taxes	126,507		
Fines, forfeitures, and costs	22,500	403	
Interest	617	324	
Local permits and fees	1,650		
Contribution from water	6,870		
Other	7,337	28,986	237
Transfers in		2,498	
Total Receipts	225,801	97,417	237
Disbursements:			
General government	118,096		
Law enforcement	92,364	40,273	
Highways and streets		92,115	
Public safety	11,012	10,633	
Recreation and culture	748		
Debt service		7,103	
Transfers out	2,498		
Total Disbursements	224,718	150,124	
Cash Balance, December 31, 2024	$ 22,495	$ 88,580	$ 1,976

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

Schedule 2

	Street	Fire Department (Act 833)	District Court Automation	American Rescue Plan Act	Total
Cash Balance, January 1, 2024	$ 54,068	$ 41,851	$ 2,005	$ 43,364	$ 141,288
Receipts:					
State aid	37,908	16,699			54,607
Property taxes	10,599				10,599
Fines, forfeitures, and costs			403		403
Interest	324				324
Other	6,986	22,000			28,986
Transfers in		2,498			2,498
Total Receipts	55,817	41,197	403		97,417
Disbursements:					
Law enforcement				40,273	40,273
Highways and streets	92,115				92,115
Public safety		10,633			10,633
Debt service	7,103				7,103
Total Disbursements	99,218	10,633		40,273	150,124
Cash Balance, December 31, 2024	$ 10,667	$ 72,415	$ 2,407	$ 3,091	$ 88,580

CITY OF CENTRAL CITY, 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.

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 Fund	$ 5,673

This balance represents 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	$ 167,708
Buildings and improvements	1,148,714
Equipment	707,173
Total	$ 2,023,595

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

	December 31, 2024
Financed purchases	$ 11,406