

**City of Magazine, Arkansas**

**Financial and Compliance Report**

**December 31, 2017**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF MAGAZINE, ARKANSAS  
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# Arkansas



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**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Magazine, 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 Magazine, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated August 1, 2018. 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 2017:

Mayor: Stanley McConnell  
Recorder/Treasurer: Vicki Smith  
City Court Clerk: Vicki Smith  
Police Chief: Anthony Rogers

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.

Our procedures indicated that the above offices were in substantial compliance with Arkansas fiscal and financial laws.

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

Handwritten signature of Roger A. Norman in cursive script.

Roger A. Norman, JD, CPA, CFE, CFF  
Legislative Auditor

Little Rock, Arkansas  
August 1, 2018  
LOM211817

CITY OF MAGAZINE, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2017	\$ 115,282	\$ 34,333
Receipts:		
State aid	13,433	66,824
Property taxes	8,305	8,055
Franchise fees	31,640	
Sales taxes	191,279	
Fines, forfeitures, and costs	5,997	452
Interest	161	36
Loan proceeds	59,995	
Other	21,083	170
Total Receipts	<u>331,893</u>	<u>75,537</u>
Disbursements:		
General government	197,750	
Law enforcement	77,851	575
Highways and streets	12,209	52,094
Public safety	6,726	10,696
Debt service	12,865	716
Total Disbursements	<u>307,401</u>	<u>64,081</u>
Cash Balance, December 31, 2017	<u>\$ 139,774</u>	<u>\$ 45,789</u>

CITY OF MAGAZINE, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2017  
 (UNAUDITED)

Schedule 2

	Street	Local Police and Fire Retirement (LOPFI)	Judicial Fine Collection	Fire Equipment and Training (Act 833)	Sales Tax	Total
Cash Balance, January 1, 2017	\$ 17,181	\$ 8,643	\$ 734	\$ 7,059	\$ 716	\$ 34,333
Receipts:						
State aid	58,266			8,558		66,824
Property taxes	6,229	1,826				8,055
Fines, forfeitures, and costs			452			452
Interest	34	2				36
Other	170					170
Total Receipts	<u>64,699</u>	<u>1,828</u>	<u>452</u>	<u>8,558</u>		<u>75,537</u>
Disbursements:						
Law enforcement			575			575
Highways and streets	52,094					52,094
Public safety		5,900		4,796		10,696
Debt service					716	716
Total Disbursements	<u>52,094</u>	<u>5,900</u>	<u>575</u>	<u>4,796</u>	<u>716</u>	<u>64,081</u>
Cash Balance, December 31, 2017	<u>\$ 29,786</u>	<u>\$ 4,571</u>	<u>\$ 611</u>	<u>\$ 10,821</u>	<u>\$ 0</u>	<u>\$ 45,789</u>

CITY OF MAGAZINE, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2017  
 (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 Police Expense
3. Cash balances at year-end in the agency funds are as follows:

	December 31, 2017
District Court Fund	\$ 666
Payroll Fund	11,287

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, 2017
Land & buildings	\$ 164,854
Equipment	664,508
Total	\$ 829,362

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

	December 31, 2017
Notes payable	\$ 53,819