

**City of Marvell, Arkansas**

**Financial and Compliance Report**

**December 31, 2017**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF MARVELL, 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 Marvell, 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 Marvell, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated October 18, 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: Clark Hall  
Recorder/Treasurer: Aletha Gibbs  
District Court Clerk: Jennifer Williams  
Police Chief: Vincent Bell

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 offices of **Recorder/Treasurer**, **District Court Clerk**, and **Police Chief** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the office of **Mayor**.

#### Mayor

The City Council did not adopt a policy defining fixed assets, as required by Ark. Code Ann. § 14-59-107.

The governing body did not review the prior report and the accompanying comments and recommendations at the first regularly scheduled meeting following receipt of the report, in noncompliance with Ark. Code Ann. § 10-4-418.

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.

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

Little Rock, Arkansas  
October 18, 2018  
LOM212317

CITY OF MARVELL, 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	\$ 278,700	\$ 14,064
Receipts:		
State aid	22,310	101,171
Federal aid	37,861	
Sanitation fees	52,241	
Property taxes	19,713	4,620
Franchise fees	76,151	
Sales taxes	475,851	
Fines, forfeitures, and costs	59,034	2,322
Interest	273	7
Local permits and fees	6,436	
Employee contributions		4,494
Employer contributions		17,357
Rent	12,520	6,500
Mosquito fees		2,999
Other	46,388	5,692
Transfers in		18,450
Total Receipts	<u>808,778</u>	<u>163,612</u>
Disbursements:		
General government	183,321	
Law enforcement	544,251	17,083
Highways and streets		119,695
Public safety	17,265	13,622
Sanitation	52,103	
Recreation and culture	14,161	
Health	5,518	
Debt service	16,613	
Transfers out	18,450	
Total Disbursements	<u>851,682</u>	<u>150,400</u>
Cash Balance, December 31, 2017	<u>\$ 235,796</u>	<u>\$ 27,276</u>

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

Schedule 2

	Street	Criminal Justice	Local Police and Fire Retirement (LOPFI)	Fire Equipment and Training Act 833	Total
Cash Balance, January 1, 2017	\$ 4,103	\$ 1,327	\$ 2,720	\$ 5,914	\$ 14,064
Receipts:					
State aid	81,587			19,584	101,171
Property taxes	4,620				4,620
Fines, forfeitures, and costs		2,322			2,322
Interest			7		7
Employee contributions			4,494		4,494
Employer contributions			17,357		17,357
Rent	6,500				6,500
Mosquito fees	2,999				2,999
Other	5,692				5,692
Transfers in	15,200	3,250			18,450
Total Receipts	<u>116,598</u>	<u>5,572</u>	<u>21,858</u>	<u>19,584</u>	<u>163,612</u>
Disbursements:					
Law enforcement			17,083		17,083
Highways and streets	119,695				119,695
Public safety			4,123	9,499	13,622
Total Disbursements	<u>119,695</u>		<u>21,206</u>	<u>9,499</u>	<u>150,400</u>
Cash Balance, December 31, 2017	<u>\$ 1,006</u>	<u>\$ 6,899</u>	<u>\$ 3,372</u>	<u>\$ 15,999</u>	<u>\$ 27,276</u>

CITY OF MARVELL, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2017  
 (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, Sanitation, Drug Control, Medical Clinic, Infrastructure, Police Car, and City Spray Park.
3. Cash balances at year-end in the agency funds are as follows:

	December 31, 2017
Police Bond and Fine	\$ 9,299
Administration of Justice	40

These balances 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, 2017
Land	\$ 93,950
Buildings	298,592
Equipment	790,789
Total	\$ 1,183,331

5. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2017
Capital lease payable	\$ 37,958
Note payable	2,973
Total	\$ 40,931