

City of Fordyce, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF FORDYCE, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Fordyce, 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 Fordyce, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated March 30, 2023. 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 commentary contained in this section relates to the following officials who held office during 2021:

Mayor: John MacNichol
Clerk/Treasurer: Shirley Richart
District Court Clerk: Rita Ford
Police Chief: Jimmy Vaughn

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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
March 30, 2023
LOM103521

CITY OF FORDYCE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds	Pension Trust Funds
Cash and Investment Balances, January 1, 2021	\$ 889,494	\$ 965,740	\$ 589,539
Receipts:			
State aid	67,330	344,468	4,413
Federal aid	162,520	383,805	
Property taxes	105,229	33,329	
Franchise fees	209,885		
Sales taxes	655,034	436,690	
Fines, forfeitures, and costs	123,344	46,574	
Interest	3,847	2,164	48,308
Local permits and fees	17,346	190	
Rental income		13,843	
Other	83,879	35,596	
Transfers in		26,400	
Total Receipts	<u>1,428,414</u>	<u>1,323,059</u>	<u>52,721</u>
Disbursements:			
General government	297,484		
Law enforcement	383,849	315,416	
Highways and streets	7,688	435,082	
Public safety	152,586	12,057	76,743
Recreation and culture	12,222	349,642	
Airport	183,937	22,610	
Transfers out	26,400		
Total Disbursements	<u>1,064,166</u>	<u>1,134,807</u>	<u>76,743</u>
Cash and Investment Balances, December 31, 2021	<u>\$ 1,253,742</u>	<u>\$ 1,153,992</u>	<u>\$ 565,517</u>

CITY OF FORDYCE, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (UNAUDITED)

Schedule 2

	Street	LOPFI	Criminal Justice	Breathalyzer Fund	Fire Equipment and Training (Act 833)	Parks Operation and Maintenance	Airport Commission
Cash Balance, January 1, 2021	\$ 412,273	\$ 5,248	\$ 967	\$ 1,078	\$ 94,520	\$ 208,401	\$ 82,973
Receipts:							
State aid	336,293				8,175		
Federal aid							
Property taxes	33,329						
Sales taxes	72,782					363,908	
Fines, forfeitures, and costs			1,489	53			
Interest	1,050	8			115	588	77
Local permits and fees	190						
Rental income						13,843	
Other	1,804				3,514	19,425	10,853
Transfers in					19,200		7,200
Total Receipts	<u>445,448</u>	<u>8</u>	<u>1,489</u>	<u>53</u>	<u>31,004</u>	<u>397,764</u>	<u>18,130</u>
Disbursements:							
Law enforcement			929				
Highways and streets	435,082						
Public safety		803			11,254		
Recreation and culture						349,642	
Airport							22,610
Total Disbursements	<u>435,082</u>	<u>803</u>	<u>929</u>		<u>11,254</u>	<u>349,642</u>	<u>22,610</u>
Cash Balance, December 31, 2021	<u>\$ 422,639</u>	<u>\$ 4,453</u>	<u>\$ 1,527</u>	<u>\$ 1,131</u>	<u>\$ 114,270</u>	<u>\$ 256,523</u>	<u>\$ 78,493</u>

CITY OF FORDYCE, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (UNAUDITED)

Schedule 2

	District Court Automation	Prisoner Expense	Emergency Vehicle (Police Special)	Municipal Judge's Retirement	Police Special Equipment	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 29,746	\$ 82,683	\$ 25,798	\$ 3,012	\$ 19,041		\$ 965,740
Receipts:							
State aid							344,468
Federal aid						\$ 383,805	383,805
Property taxes							33,329
Sales taxes							436,690
Fines, forfeitures, and costs	10,589	17,841	8,165	1,726	6,711		46,574
Interest						326	2,164
Local permits and fees							190
Rental income							13,843
Other							35,596
Transfers in							26,400
Total Receipts	<u>10,589</u>	<u>17,841</u>	<u>8,165</u>	<u>1,726</u>	<u>6,711</u>	<u>384,131</u>	<u>1,323,059</u>
Disbursements:							
Law enforcement	12,417	4,995			911	296,164	315,416
Highways and streets							435,082
Public safety							12,057
Recreation and culture							349,642
Airport							22,610
Total Disbursements	<u>12,417</u>	<u>4,995</u>			<u>911</u>	<u>296,164</u>	<u>1,134,807</u>
Cash Balance, December 31, 2021	<u>\$ 27,918</u>	<u>\$ 95,529</u>	<u>\$ 33,963</u>	<u>\$ 4,738</u>	<u>\$ 24,841</u>	<u>\$ 87,967</u>	<u>\$ 1,153,992</u>

CITY OF FORDYCE, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

Schedule 3

1. Cash and investment balances on the Financial Schedules include demand and savings accounts, certificates of deposit, bond funds, and equity funds.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, Sales Tax, Drug Control, and Train Depot
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2021
Police Bond and Fine	\$ 70
District Court	72,964
Payroll	264
Administration of Justice	4,953

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, 2021
Land, buildings, and improvements	\$ 2,506,176
Equipment	3,887,346
Total	<u>\$ 6,393,522</u>

5. The City received federal funding in the following amount related to COVID-19 relief:

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 383,805</u>