

City of Harrisburg, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF HARRISBURG, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2022

Financial and Compliance Report

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Arkansas

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Sen. John Payton
Senate Vice Chair



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House Chair
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House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Harrisburg, 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 Harrisburg, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated December 13, 2023. These procedures were not performed for the Water, Sewer, and Gas 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 2022:

Mayor: Justin Kimble
Bookkeeper: Johnetta Privett
Clerk: June Long
Treasurer: Curtis Sanders
District Court Clerk: Holly Henderson
Police Chief: Roderick Moore (Resigned November 18, 2022)
Eric Moore (Appointed November 19, 2022)

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, reading "Roger A. Norman".

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

Little Rock, Arkansas
December 13, 2023
LOM104122

CITY OF HARRISBURG, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2022	\$ 264,052	\$ 1,584,519
Receipts:		
State aid	32,999	216,368
Federal aid		239,189
Property taxes	105,690	29,286
Franchise fees	107,107	
Sales taxes	341,223	1,124,856
Fines, forfeitures, and costs	104,826	7,462
Interest	1,033	3,829
Local permits and fees	52,332	89,784
Sanitation fees	182,795	
Contributions from water department	25,692	
Contributions from county		19,586
Loan proceeds		620,402
Sale of assets	44,752	37,050
Park concessions		18,994
Other	42,603	30,685
Transfers in		87,380
Total Receipts	<u>1,041,052</u>	<u>2,524,871</u>
Disbursements:		
General government	374,822	2,624
Law enforcement	183,945	494,402
Highways and streets	27,199	434,365
Public safety	8,849	751,440
Sanitation	241,858	
Health	18,806	
Recreation and culture	5,170	241,526
Community development		226,597
Wastewater		9,622
Debt service	34,077	25,446
Transfers out	78,285	9,095
Total Disbursements	<u>973,011</u>	<u>2,195,117</u>
Cash Balance, December 31, 2022	<u>\$ 332,093</u>	<u>\$ 1,914,273</u>

CITY OF HARRISBURG, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 2

	Street	District Court Automation	Fire Equipment and Training	Economic Development	Parks and Recreation	Volunteer Fire Department	Street and Drainage
Cash Balance, January 1, 2022	\$ 5,333	\$ 11,671	\$ 39,929	\$ 626,176	\$ 17,373	\$ 119,920	\$ 163,264
Receipts:							
State aid	190,977		25,391				
Federal aid							
Property taxes	20,957						
Sales taxes				187,476	187,476		187,476
Fines, forfeitures, and costs		7,462					
Interest				2,290		714	760
Local permits and fees					40,294	49,490	
Contributions from county						19,586	
Loan proceeds						620,402	
Sale of assets							37,050
Park concessions					18,994		
Other	1,210				6,302	1,558	
Transfers in	78,285						
Total Receipts	291,429	7,462	25,391	189,766	253,066	691,750	225,286
Disbursements:							
General government							
Law enforcement		5,457					
Highways and streets	277,234						139,638
Public safety			7,533			647,574	
Recreation and culture					237,590		
Economic development				226,597			
Contributions to water department							
Debt service							12,580
Transfers out							
Total Disbursements	277,234	5,457	7,533	226,597	237,590	647,574	152,218
Cash Balance, December 31, 2022	\$ 19,528	\$ 13,676	\$ 57,787	\$ 589,345	\$ 32,849	\$ 164,096	\$ 236,332

CITY OF HARRISBURG, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 2

	Local Police and Fire Retirement Cost	Police	Harrisburg Fire Department	DOJ Equitable Sharing	American Rescue Plan	Total
Cash Balance, January 1, 2022	\$ 29,234	\$ 139,820	\$ 192,607		\$ 239,192	\$ 1,584,519
Receipts:						
State aid						216,368
Federal aid					239,189	239,189
Property taxes	8,329					29,286
Sales taxes		421,821	140,607			1,124,856
Fines, forfeitures, and costs						7,462
Interest	65					3,829
Local permits and fees						89,784
Contributions from county						19,586
Loan proceeds						620,402
Sale of assets						37,050
Park concessions						18,994
Other		21,615				30,685
Transfers in				\$ 9,095		87,380
Total Receipts	8,394	443,436	140,607	9,095	239,189	\$ 2,524,871
Disbursements:						
General government					2,624	2,624
Law enforcement	6,896	470,679			11,370	494,402
Highways and streets					17,493	434,365
Public safety	1,386		94,947			751,440
Recreation and culture					3,936	241,526
Economic development						226,597
Contributions to water department					9,622	9,622
Debt service		12,866				25,446
Transfers out		9,095				9,095
Total Disbursements	8,282	492,640	94,947		45,045	\$ 2,195,117
Cash Balance, December 31, 2022	\$ 29,346	\$ 90,616	\$ 238,267	\$ 9,095	\$ 433,336	\$ 1,914,273

CITY OF HARRISBURG, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.

2. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2022
Police Bond and Fine	\$ 36,695
District Court	50
Payroll	4,245

These balances represent fines, forfeitures, and costs and payroll taxes that have not been transferred to the appropriate entities.

3. The Municipality's capital assets records are summarized below:

	December 31, 2022
Land	\$ 292,574
Buildings	2,153,607
Improvements	163,259
Equipment	2,203,670
Construction in progress	668,195
Total	<u>\$ 5,481,305</u>

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

	December 31, 2022
Financed purchase	\$ 48,626
Notes payable	136,126
Total	<u>\$ 184,752</u>

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

	December 31, 2022
American Rescue Plan Act (ARPA)	<u>\$ 239,189</u>