

# **City of Lake City, Arkansas**

## **Financial and Compliance Report**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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

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# Arkansas

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Senate Vice Chair



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House Chair  
**Rep. Richard Womack**  
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 Lake 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 Lake City, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated April 19, 2023. These procedures were not performed for the Water and Sewer and Mosquito 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: Cameron Tate  
Clerk/Treasurer: Lisa Sitz  
Police Chief: Winred Saffell

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  
April 19, 2023  
LOM110622

CITY OF LAKE CITY, 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	\$ 913,757	\$ 706,756
Receipts:		
State aid	61,229	254,745
Federal aid	3,000	274,513
Property taxes	41,391	51,948
Franchise fees	115,165	
Sales taxes	695,117	103,834
Fines, forfeitures, and costs	135,511	
Interest	2,731	2,339
Local permits and fees	21,330	
Sanitation fees	163,529	
Recreation fees	38,730	
Reimbursement from Riverside School District	22,247	
Loan Proceeds	15,000	
Other	42,119	430
Total Receipts	<u>1,357,099</u>	<u>687,809</u>
Disbursements:		
General government	503,612	
Law enforcement	125,591	254,000
Highways and streets		146,368
Public safety	17,873	39,078
Sanitation	125,863	
Recreation and culture	37,133	
Cemetery	2,181	
Contributions to water and sewer department	103,834	
Debt service	52,170	
Total Disbursements	<u>968,257</u>	<u>439,446</u>
Cash Balance, December 31, 2022	<u>\$ 1,302,599</u>	<u>\$ 955,119</u>

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

Schedule 2

	Street	Fire District	Fire Equipment and Training	Street Improvement	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 209,150	\$ 69,970	\$ 15,912	\$ 157,614	\$ 254,110	\$ 706,756
Receipts:						
State aid	200,819	26,963	26,963			254,745
Federal aid					274,513	274,513
Property taxes	27,153	24,795				51,948
Sales taxes				103,834		103,834
Interest	505	169	38	391	1,236	2,339
Other	341	89				430
Total Receipts	<u>228,818</u>	<u>52,016</u>	<u>27,001</u>	<u>104,225</u>	<u>275,749</u>	<u>687,809</u>
Disbursements:						
Law enforcement					254,000	254,000
Highways and streets	146,368					146,368
Public safety		19,181	19,897			39,078
Total Disbursements	<u>146,368</u>	<u>19,181</u>	<u>19,897</u>		<u>254,000</u>	<u>439,446</u>
Cash Balance, December 31, 2022	<u>\$ 291,600</u>	<u>\$ 102,805</u>	<u>\$ 23,016</u>	<u>\$ 261,839</u>	<u>\$ 275,859</u>	<u>\$ 955,119</u>

CITY OF LAKE CITY, 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. The General Fund column on the Financial Schedules includes the following bank accounts:  
General, Parks and Recreation, Cemetery, and Sanitation

3. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2022
Payroll	\$ 32,899

This balance represents payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2022
Land	\$ 235,659
Buildings	1,724,032
Equipment	1,896,631
Total	<u>\$ 3,856,322</u>

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

	December 31, 2022
Financed purchases	\$ 30,309
Notes payable	18,147
Total	<u>\$ 48,456</u>

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

	December 31, 2022
American Rescue Plan Act (ARPA)	<u>\$ 274,513</u>