

City of Leachville, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF LEACHVILLE, 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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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 Leachville, 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 Leachville, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated December 11, 2023. These procedures were not performed for the Water and Sewer and Sanitation 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: Rodney Robertson
Recorder/Treasurer: Ruth Keith
District Court Clerk: Rebecca Clowers
Police Chief: Alan Austin

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 black ink that reads "Roger A. Norman".

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

Little Rock, Arkansas
December 11, 2023
LOM110922

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 321,327	\$ 447,380
Receipts:		
State aid	30,418	202,557
Federal aid		193,091
Property taxes	99,748	25,131
Franchise fees	113,477	4,504
Sales taxes	672,078	52,113
Fines, forfeitures, and costs	20,591	666
Interest	622	652
Local permits and fees	635	7,585
Sanitation fees	138,308	
Recreation fees	29,129	
Donations	22,801	1,000
Other	30,805	9,329
Transfers in		15,000
Total Receipts	<u>1,158,612</u>	<u>511,628</u>
Disbursements:		
General government	322,939	
Law enforcement	263,753	2,424
Highways and streets	10,571	200,066
Public safety	48,638	122,754
Sanitation	115,451	
Recreation and culture	95,138	
Social services	11,710	
Contributions to water and sewer department		293,028
Sales tax distributed to water department	134,682	
Debt service	34,191	22,456
Transfers out	15,000	
Total Disbursements	<u>1,052,073</u>	<u>640,728</u>
Cash Balance, December 31, 2022	<u>\$ 427,866</u>	<u>\$ 318,280</u>

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

Schedule 2

	Street	Fire Equipment and Training (Act 833)	Fire Protection	Court Automation	Grant	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 94,299	\$ 36,684	\$ 117,530	\$ 5,296	\$ 311	\$ 193,260	\$ 447,380
Receipts:							
State aid	176,040	12,192			14,325		202,557
Federal aid						193,091	193,091
Property taxes	25,131						25,131
Franchise fees	4,504						4,504
Sales taxes			52,113				52,113
Fines, forfeitures, and costs	99			567			666
Interest			413	7		232	652
Local permits and fees			7,585				7,585
Donations			1,000				1,000
Other	9,329						9,329
Transfers in					15,000		15,000
Total Receipts	<u>215,103</u>	<u>12,192</u>	<u>61,111</u>	<u>574</u>	<u>29,325</u>	<u>193,323</u>	<u>511,628</u>
Disbursements:							
Law enforcement				2,424			2,424
Highways and streets	200,066						200,066
Public safety		5,261	24,336			93,157	122,754
Contributions to water and sewer department						293,028	293,028
Debt service	22,456						22,456
Total Disbursements	<u>222,522</u>	<u>5,261</u>	<u>24,336</u>	<u>2,424</u>		<u>386,185</u>	<u>640,728</u>
Cash Balance, December 31, 2022	<u>\$ 86,880</u>	<u>\$ 43,615</u>	<u>\$ 154,305</u>	<u>\$ 3,446</u>	<u>\$ 29,636</u>	<u>\$ 398</u>	<u>\$ 318,280</u>

CITY OF LEACHVILLE, 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, Festival, General Reserve, Fire Discretionary, Melody Theater, Ballpark, and Gym and Community Center.

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

	December 31, 2022
District Court	\$ 9,095
Administration of Justice	192

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, 2022
Land	\$ 203,306
Buildings	3,326,326
Equipment	1,360,996
Total	<u>\$ 4,890,628</u>

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

	December 31, 2022
Financed purchases	<u>\$ 143,445</u>

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

	December 31, 2022
American Rescue Plan Act (ARPA)	<u>\$ 193,091</u>