

City of Amity, Arkansas

Financial and Compliance Report

December 31, 2023

*Including Financial Information
For
December 31, 2022 and 2021*

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF AMITY, ARKANSAS
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Arkansas

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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Amity, 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 Amity, Arkansas, as of and for the year ended December 31, 2023. Additionally, we requested certain cash basis information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the years ended December 31, 2022 and 2021, and have issued our report thereon dated June 18, 2024. These procedures were not performed for the Water and Sewer Fund. 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 2023, 2022, and 2021:

Mayor: Johnny McAnally
Recorder/Treasurer: Neeka Richardson
Police Chief: Garry (BJ) Johns

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, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
June 18, 2024
LOM200423

CITY OF AMITY, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 318,230	\$ 32,549
Receipts:		
State aid	10,354	68,889
Property taxes	31,818	3,361
Franchise fees	28,720	
Sales taxes	223,105	
Fines, forfeitures, and costs	4,148	
Interest	309	33
Local permits and fees	12,613	8,000
Grants	5,000	3,000
Donations		8,199
Contribution from water and sewer	3,246	
Other	13,553	450
Total Receipts	<u>332,866</u>	<u>91,932</u>
Disbursements:		
General government	176,222	
Law enforcement	142,287	
Highways and streets	22,865	66,065
Public safety	9,227	14,921
Recreation and culture	121	
Water and sewer	6,666	
Debt service	3,617	
Total Disbursements	<u>361,005</u>	<u>80,986</u>
Cash Balance, December 31, 2023	<u>\$ 290,091</u>	<u>\$ 43,495</u>

CITY OF AMITY, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 2

	Street	Fire Department	Total
Cash Balance, January 1, 2023	\$ 10,715	\$ 21,834	\$ 32,549
Receipts:			
State aid	57,447	11,442	68,889
Property taxes	3,361		3,361
Interest	10	23	33
Local permits and fees		8,000	8,000
Grants		3,000	3,000
Donations		8,199	8,199
Other	450		450
Total Receipts	<u>61,268</u>	<u>30,664</u>	<u>91,932</u>
Disbursements:			
Highways and streets	66,065		66,065
Public safety		14,921	14,921
Total Disbursements	<u>66,065</u>	<u>14,921</u>	<u>80,986</u>
Cash Balance, December 31, 2023	<u>\$ 5,918</u>	<u>\$ 37,577</u>	<u>\$ 43,495</u>

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

Schedule 3

	General Fund	Special Revenue Funds	Firemen's Pension and Relief Trust Fund
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Cash and Investments Balance, January 1, 2022	261,931	27,576	201,224
Receipts:			
State aid	10,159	69,198	2,584
Federal aid		70,959	
Property taxes	31,404	3,458	
Franchise fees	25,926		
Sales taxes	234,477		
Fines, forfeitures, and costs	5,694		
Interest	178	18	5
Local permits and fees	15,783	8,550	
Grants	5,000		
Donations		12,702	
Contribution from water and sewer	3,647		
Net increase/(decrease) in fair value of investments			(24,480)
Other	49,765	5,893	8
Total Receipts	<u>382,033</u>	<u>170,778</u>	<u>(21,883)</u>
Disbursements:			
General government	197,361		
Law enforcement	84,987	70,959	
Highways and streets	1,944	70,075	
Public safety	28,488	24,771	
Recreation and culture	752		
Water and sewer	5,832		
Debt service	6,370		
Transfer to State of Arkansas Local Police and Fire Retirement System			179,341
Total Disbursements	<u>325,734</u>	<u>165,805</u>	<u>179,341</u>
Cash and Investments Balance, December 31, 2022	<u>\$ 318,230</u>	<u>\$ 32,549</u>	<u>\$ 0</u>

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

Schedule 4

	Street	Fire Department	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 12,645	\$ 14,931		\$ 27,576
Receipts:				
State aid	58,795	10,403		69,198
Federal aid			\$ 70,959	70,959
Property taxes	3,458			3,458
Interest	9	9		18
Local permits and fees		8,550		8,550
Donations		12,702		12,702
Other	5,883	10		5,893
Total Receipts	<u>68,145</u>	<u>31,674</u>	<u>70,959</u>	<u>170,778</u>
Disbursements:				
Law enforcement			70,959	70,959
Highways and streets	70,075			70,075
Public safety		24,771		24,771
Total Disbursements	<u>70,075</u>	<u>24,771</u>	<u>70,959</u>	<u>165,805</u>
Cash Balance, December 31, 2022	<u>\$ 10,715</u>	<u>\$ 21,834</u>	<u>\$ 0</u>	<u>\$ 32,549</u>

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

Schedule 6

	General Fund	Special Revenue Funds	Firemen's Pension and Relief Trust Fund
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Cash and Investments Balance, January 1, 2021	196,358	42,057	206,602
Receipts:			
State aid	11,639	68,299	2,522
Federal aid		70,960	
Property taxes	28,904	3,182	
Franchise fees	18,584		
Sales taxes	191,751		
Fines, forfeitures, and costs	6,977		
Interest	126	10	5
Local permits and fees	9,527	4,055	
Grants	4,000	750	
Donations		11,303	
Net increase/(decrease) in fair value of investments			5,777
Other	34,230	1,075	
Transfers in	769		
Unclassified	2,504	1,069	
Total Receipts	<u>309,011</u>	<u>160,703</u>	<u>8,304</u>
Disbursements:			
General government	130,010		
Law enforcement	94,018	71,048	
Highways and streets	583	65,547	
Public safety	106	37,820	13,682
Recreation and culture	8,942		
Water and sewer	2,949		
Debt service	6,370		
Transfers out		769	
Unclassified	460		
Total Disbursements	<u>243,438</u>	<u>175,184</u>	<u>13,682</u>
Cash and Investments Balance, December 31, 2021	<u>\$ 261,931</u>	<u>\$ 27,576</u>	<u>\$ 201,224</u>

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

Schedule 6

	Street	Fire Department	American Rescue Plan Act	Prisoner Detention	Total
Cash Balance, January 1, 2021	\$ 14,961	\$ 26,318		\$ 778	\$ 42,057
Receipts:					
State aid	58,753	9,546			68,299
Federal aid			\$ 70,960		70,960
Property taxes	3,182				3,182
Interest	6	4			10
Local permits and fees		4,055			4,055
Grants		750			750
Donations		11,303			11,303
Other	300	775			1,075
Unclassified	990		79		1,069
Total Receipts	<u>63,231</u>	<u>26,433</u>	<u>71,039</u>		<u>160,703</u>
Disbursements:					
Law enforcement			71,039	9	71,048
Highways and streets	65,547				65,547
Public safety		37,820			37,820
Transfers out				769	769
Total Disbursements	<u>65,547</u>	<u>37,820</u>	<u>71,039</u>	<u>778</u>	<u>175,184</u>
Cash Balance, December 31, 2021	<u>\$ 12,645</u>	<u>\$ 14,931</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 27,576</u>

CITY OF AMITY, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022, AND 2021
(UNAUDITED)

Schedule 7

1. Cash and investment balances on the Financial Schedules include demand accounts, mutual funds, and government and agency securities.
2. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2021
Police Bond and Fine	\$ 100

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

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

	December 31, 2023	December 31, 2022	December 31, 2021
Land	\$ 11,200	\$ 11,200	\$ 11,200
Buildings	450,000	450,000	450,000
Equipment	414,537	344,542	264,691
Totals	\$ 875,737	\$ 805,742	\$ 725,891

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

	December 31, 2022	December 31, 2021
Financed purchase	\$ 3,580	\$ 9,766

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

	December 31, 2022	December 31, 2021
American Rescue Plan Act (ARPA)	\$ 70,959	\$ 70,960