

City of Clinton, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF CLINTON, 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 Clinton, 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 Clinton, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated October 20, 2022. These procedures were not performed for the Water and Sewer Department. 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: Richard McCormac
Recorder/Treasurer: Dena Malone
Police Chief: Jay Murdock

We evaluated the City's compliance with certain state laws concerning general 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 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
October 20, 2022
LOM203221

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

Schedule 1

	General Fund	Special Revenue Funds	Debt Service Fund (Sales and Use Tax Bond)	Capital Projects Funds
Cash Balance, January 1, 2021	\$ 2,153,061	\$ 699,170	\$ 425,335	\$ 337,721
Receipts:				
State aid	42,056	516,630		
Federal aid		391,934		
Property taxes	190,322	58,917		
Franchise fees	177,764			
Sales taxes	1,450,348	818	315,476	
Fines, forfeitures, and costs	118,314	3,397		
Interest	12,149	1,872	18	553
Local permits and fees	9,278			
Advertising and promotion taxes		36,872		
Airport hanger rent		42,070		
Other	10,712	25,409		7,186
Transfers in	420,111	203,000		46,329
Total Receipts	<u>2,431,054</u>	<u>1,280,919</u>	<u>315,494</u>	<u>54,068</u>
Disbursements:				
General government	536,294			
Law enforcement	586,368	3,696		17,534
Highways and streets		184,981		
Public safety	129,150	68,751		100,000
Sanitation	44,152			
Recreation and culture	145,302	24,899		
Social services	36,000			
Airport		455,632		
Advertising and promotion		22,379		
Debt service			320,718	
Transfers out	249,329		420,111	
Contribution to water and sewer				217,173
Total Disbursements	<u>1,726,595</u>	<u>760,338</u>	<u>740,829</u>	<u>334,707</u>
Cash Balance, December 31, 2021	<u>\$ 2,857,520</u>	<u>\$ 1,219,751</u>	<u>\$ 0</u>	<u>\$ 57,082</u>

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

Schedule 2

	Street	Criminal Justice	District Court Automation	District Court Cost	Fire Equipment and Training (Act 833)	Hotel Motel Tax	Justice Assistance Grant	Parks and Recreation	Airport Commission	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 505,535	\$ 14,076	\$ 1,701	\$ 34,912	\$ 91,678	\$ 29,806	\$ 2	\$ 3,456	\$ 18,004		\$ 699,170
Receipts:											
State aid	212,613				29,017				275,000		516,630
Federal aid							2,550		128,335	\$ 261,049	391,934
Property taxes	58,917										58,917
Sales taxes									818		818
Fines, forfeitures, and costs		1,294		2,103							3,397
Interest	1,130	68	6	165		33		3	24	443	1,872
Advertising and promotion taxes						36,872					36,872
Airport hanger rent									42,070		42,070
Other					36			24,419	954		25,409
Transfers in	196,000							2,000	5,000		203,000
Total Receipts	<u>468,660</u>	<u>1,362</u>	<u>6</u>	<u>2,268</u>	<u>29,053</u>	<u>36,905</u>	<u>2,550</u>	<u>26,422</u>	<u>452,201</u>	<u>261,492</u>	<u>1,280,919</u>
Disbursements:											
Law enforcement			1,144				2,552				3,696
Highways and streets	184,981										184,981
Public safety					68,751						68,751
Recreation and culture								24,899			24,899
Airport									455,632		455,632
Advertising and promotion						22,379					22,379
Total Disbursements	<u>184,981</u>		<u>1,144</u>		<u>68,751</u>	<u>22,379</u>	<u>2,552</u>	<u>24,899</u>	<u>455,632</u>		<u>760,338</u>
Cash Balance, December 31, 2021	<u>\$ 789,214</u>	<u>\$ 15,438</u>	<u>\$ 563</u>	<u>\$ 37,180</u>	<u>\$ 51,980</u>	<u>\$ 44,332</u>	<u>\$ 0</u>	<u>\$ 4,979</u>	<u>\$ 14,573</u>	<u>\$ 261,492</u>	<u>\$ 1,219,751</u>

CITY OF CLINTON, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (UNAUDITED)

Schedule 3

	Fire Truck	Police Special Equipment	Expansion Sewer	Total
Cash Balance, January 1, 2021	<u>\$ 130,717</u>	<u>\$ 4,532</u>	<u>\$ 202,472</u>	<u>\$ 337,721</u>
Receipts:				
Interest	123		430	553
Other		7,186		7,186
Transfers in	<u>20,000</u>	<u>12,023</u>	<u>14,306</u>	<u>46,329</u>
Total Receipts	<u>20,123</u>	<u>19,209</u>	<u>14,736</u>	<u>54,068</u>
Disbursements:				
Law enforcement		17,534		17,534
Public safety	100,000			100,000
Contribution to water and sewer			217,173	217,173
Total Disbursements	<u>100,000</u>	<u>17,534</u>	<u>217,173</u>	<u>334,707</u>
Cash Balance, December 31, 2021	<u><u>\$ 50,840</u></u>	<u><u>\$ 6,207</u></u>	<u><u>\$ 35</u></u>	<u><u>\$ 57,082</u></u>

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

Schedule 4

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

2. The General Fund column on the Financial Schedules includes the following bank accounts:
General Fund, Fire Department Special.

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

	December 31, 2021
Land and Buildings	\$ 3,040,294
Equipment	<u>3,236,008</u>
Total	<u><u>\$ 6,276,302</u></u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u><u>\$ 261,049</u></u>