

City of Colt, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF COLT, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Colt, 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 Colt, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated August 24, 2022. 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 finding contained in this section relates to the following officials who held office during 2021:

Mayor: Randy Hefner
Recorder: Cathy Coats
Treasurer: Bobby Clarkson

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.

Noncompliance with state law and accepted accounting practices was noted in the office of **Treasurer**.

Treasurer

The City's accounts were under collateralized by \$60,835 (20% of total deposits) at December 31, 2021, in noncompliance with Ark. Code Ann. § 19-8-107.

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
August 24, 2022
LOM203521

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2021	\$ 75,453	\$ 150,599
Receipts:		
State aid	5,903	52,835
Federal aid		34,081
Property taxes	12,443	1,500
Franchise fees	17,088	
Sales taxes	88,033	
Fines, forfeitures, and costs	2,368	
Interest	6	11
Local permits and fees	725	
Refunds		3,895
Other	25	5
Total Receipts	<u>126,591</u>	<u>92,327</u>
Disbursements:		
General government	38,855	
Law enforcement	7,845	
Highways and streets	12,803	39,419
Public safety	4,315	14,020
Sanitation	35,462	
Recreation and culture	11,287	
Total Disbursements	<u>110,567</u>	<u>53,439</u>
Cash Balance, December 31, 2021	<u>\$ 91,477</u>	<u>\$ 189,487</u>

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

Schedule 2

	Street	Fire Equipment and Training	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 47,832	\$ 102,767		\$ 150,599
Receipts:				
State aid	29,451	23,384		52,835
Federal aid			\$ 34,081	34,081
Property taxes	1,500			1,500
Interest	11			11
Refunds		3,895		3,895
Other		5		5
Total Receipts	<u>30,962</u>	<u>27,284</u>	<u>34,081</u>	<u>92,327</u>
Disbursements:				
Highways and streets	39,419			39,419
Public safety		14,020		14,020
Total Disbursements	<u>39,419</u>	<u>14,020</u>		<u>53,439</u>
Cash Balance, December 31, 2021	<u>\$ 39,375</u>	<u>\$ 116,031</u>	<u>\$ 34,081</u>	<u>\$ 189,487</u>

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

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General and Police
3. The Municipality's capital assets records are summarized below:

	December 31, 2021
	<u> </u>
Land	\$ 39,165
Buildings	215,187
Equipment	<u>267,094</u>
Total	<u><u>\$ 521,446</u></u>

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

	December 31, 2021
	<u> </u>
American Rescue Plan Act (ARPA)	<u><u>\$ 34,081</u></u>