

City of Cushman, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF CUSHMAN, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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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 Cushman, 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 Cushman, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated September 28, 2023. These procedures were not performed for the Water 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 2022 and 2021:

Mayor: Brittany Hurley
Recorder/Treasurer: Leila Skelton

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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
September 28, 2023
LOM203822

CITY OF CUSHMAN, 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	\$ 28,401	\$ 145,636
Receipts:		
State aid	6,460	37,384
Federal aid		47,548
Property taxes	4,357	7,412
Franchise fees	13,301	
Sales taxes	87,477	
Fines, forfeitures, and costs	586	
Interest	21	8
Contribution from Independence County	12,640	
Other	3,253	164
Total Receipts	<u>128,095</u>	<u>92,516</u>
Disbursements:		
General government	88,835	
Law enforcement	9,600	
Highways and streets		52,714
Sanitation	15,789	
Health	755	
Recreation and culture	1,573	
Social services	908	
Contribution to water		47,548
Total Disbursements	<u>117,460</u>	<u>100,262</u>
Cash Balance, December 31, 2022	<u>\$ 39,036</u>	<u>\$ 137,890</u>

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

Schedule 2

	<u>Street</u>	<u>Local Police and Fire Retirement Cost</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2022	\$ 130,712	\$ 14,924		\$ 145,636
Receipts:				
State aid	37,384			37,384
Federal aid			\$ 47,548	47,548
Property taxes	7,412			7,412
Interest	8			8
Other	164			164
Total Receipts	<u>44,968</u>		<u>47,548</u>	<u>92,516</u>
Disbursements:				
Highways and streets	52,714			52,714
Contribution to water			47,548	47,548
Total Disbursements	<u>52,714</u>		<u>47,548</u>	<u>100,262</u>
Cash Balance, December 31, 2022	<u>\$ 122,966</u>	<u>\$ 14,924</u>	<u>\$ 0</u>	<u>\$ 137,890</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2021	\$ 40,802	\$ 111,422
Receipts:		
State aid	7,298	36,876
Federal aid		47,548
Property taxes	3,964	4,174
Franchise fees	12,742	
Sales taxes	88,925	
Contribution from Independence County	7,230	2,760
Interest	86	33
Other	8,548	
Total Receipts	<u>128,793</u>	<u>91,391</u>
Disbursements:		
General government	109,238	
Law enforcement	8,205	
Highways and streets		9,629
Sanitation	16,675	
Health	948	
Recreation and culture	5,396	
Social services	732	
Contribution to water		47,548
Total Disbursements	<u>141,194</u>	<u>57,177</u>
Cash Balance, December 31, 2021	<u>\$ 28,401</u>	<u>\$ 145,636</u>

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

Schedule 4

	<u>Street</u>	<u>Local Police and Fire Retirement Cost</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2021	\$ 96,498	\$ 14,924		\$ 111,422
Receipts:				
State aid	36,876			36,876
Federal aid			\$ 47,548	47,548
Property taxes	4,174			4,174
Contribution from Independence County	2,760			2,760
Interest	33			33
Total Receipts	<u>43,843</u>		<u>47,548</u>	<u>91,391</u>
Disbursements:				
Highways and streets	9,629			9,629
Contribution to water			47,548	47,548
Total Disbursements	<u>9,629</u>		<u>47,548</u>	<u>57,177</u>
Cash Balance, December 31, 2021	<u>\$ 130,712</u>	<u>\$ 14,924</u>	<u>\$ 0</u>	<u>\$ 145,636</u>

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

Schedule 5

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, General Money Market, Arkansas Economic Development Commission Grant, and Gym

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

	December 31, 2022	December 31, 2021
Land	\$ 752,486	\$ 752,486
Buildings	44,234	44,234
Equipment	164,782	164,782
Totals	\$ 961,502	\$ 961,502

4. 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)	\$ 47,548	\$ 47,548