

City of Diaz, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF DIAZ, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

Arkansas

Sen. Ronald Caldwell
Senate Chair
Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Nelda Speaks
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 Diaz, 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 Diaz, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated October 13, 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 commentary contained in this section relates to the following officials who held office during 2021:

Mayor: Perry Stegall
Recorder/Treasurer: Kathy Howard
Police Chief: James Thompson

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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
October 13, 2022
LOM204521

CITY OF DIAZ, 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	\$ 754,980	\$ 252,863
Receipts:		
State aid	21,167	118,439
Federal aid	2,550	125,138
Property taxes	30,270	12,066
Franchise fees	41,888	
Sales taxes	228,980	
Fines, forfeitures, and costs	6,021	
Interest	6,052	2,823
Local permits and fees	2,395	
Donations	135,250	345
Other	13,873	
Transfers in	4,400	
Total Receipts	<u>492,846</u>	<u>258,811</u>
Disbursements:		
General government	167,735	
Law enforcement	149,031	
Highways and streets	1,961	77,508
Public safety	53,211	8,491
Sanitation	153,797	
Recreation and culture	184	
Transfers out		4,400
Contribution to water department		20,573
Total Disbursements	<u>525,919</u>	<u>110,972</u>
Cash Balance, December 31, 2021	<u>\$ 721,907</u>	<u>\$ 400,702</u>

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

Schedule 2

	Street	Fire Equipment and Training Act 833	Fire Department	American Recovery Plan Act	Total
Cash Balance, January 1, 2021	\$ 243,822	\$ 5,810	\$ 3,231		\$ 252,863
Receipts:					
State aid	106,754	11,685			118,439
Federal aid				\$ 125,138	125,138
Property taxes	12,066				12,066
Interest	2,819	4			2,823
Donations			345		345
Total Receipts	121,639	11,689	345	125,138	258,811
Disbursements:					
Highways and streets	77,508				77,508
Public safety		8,151	340		8,491
Transfers out		4,400			4,400
Contribution to water department				20,573	20,573
Total Disbursements	77,508	12,551	340	20,573	110,972
Cash Balance, December 31, 2021	\$ 287,953	\$ 4,948	\$ 3,236	\$ 104,565	\$ 400,702

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

Schedule 3

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

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

	December 31, 2021
	<u> </u>
Land	\$ 54,014
Buildings	293,266
Equipment	<u>828,287</u>
	<u> </u>
Total	<u>\$ 1,175,567</u>

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

	December 31, 2021
	<u> </u>
Notes payable	<u>\$ 41,731</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>\$ 125,138</u>