

CITY OF EMMET, ARKANSAS



DECEMBER 31, 2022

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EMMET, ARKANSAS

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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

City of Emmet, Arkansas
Emmet, AR

We have performed the procedures enumerated below on the financial records of the City of Emmet, Arkansas as of and for the year ended December 31, 2022. The City of Emmet, Arkansas' management is responsible for the financial records of the City of Emmet, Arkansas.

The City of Emmet, Arkansas has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of satisfying annual reporting requirements of the Arkansas Division of Legislative Audit. Additionally, the Arkansas Legislative Joint Auditing Committee has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. Cash and Investments

Determine that the ending book balance is within 10% or \$1,000/\$500, whichever is greater, of the proof of cash ending book balance. (Use \$1,000 for first class cities and \$500 for all other entities.)

We found no exceptions as a result of the procedure.

2. Receipts

a. Determine that total receipts per journal are within 10% or \$1,000/\$500, whichever is greater, of deposits per proof of cash. (Use \$1,000 for first class cities and \$500 for all other entities.)

b. Determine state turn back, sales taxes, fire protection funds, and pension funds paid by the State of Arkansas were deposited in the proper fund.

c. Add one month's receipts issued and determine that they are within 10% or \$250/\$100, whichever is greater, of deposits per bank accounts for all funds except the Bond and Fine, Court and Payroll Funds. (Use \$250 for first class cities and \$100 for all other entities.)

We found no exceptions as a result of the procedures.

**305 Professional Park Dr.
ARKADELPHIA, AR 71923**

**Office: 870.246.4563
Fax: 870.246.6114**

**416 N Washington St.
MAGNOLIA, AR 71753**

**Office: 870.234.7611
Fax: 870.234.8529**

3. Disbursements

- a. Determine that total disbursements per journal are within 10% or \$1,000/\$500, whichever is greater, of disbursements per proof of cash. (Use \$1,000 for first class cities and \$500 for all other entities.)
- b. For the General and Street Funds, determine that total disbursements did not exceed total appropriations by more than 20%.

For 10% of disbursements (maximum of 30 for all funds, with at least one disbursement per fund except the Bond and Fine and Court Funds), determine that disbursements were documented and paid in accordance with any applicable code provisions. (Materiality level – 10% of the total dollars of selected disbursements or \$1,000/\$500, whichever is greater.) (Use \$1,000 for first class cities and \$500 for all other entities.)

We found no exceptions as a result of the procedures.

4. State Law Compliance

Evaluate the extent to which the City or Town complied with the following state laws as of and for the year ended December 31, 2022.

- a) Municipal Accounting Law (§14-59-101 et seq.)
- b) Restricted Street Funds (§27-70-207)
- c) Budgets (§14-58-201 to –203)
- d) Deposit of Public Funds (§19-8-101 to –107)
- e) Review of Report by Governing Body (§10-4-418)
- f) Report of Security Incident (§ 10-4-429)
- g) Improvement Contracts (§22-9-202 to–204)
- h) Investment of Public Funds (§19-1-501 et seq.)
- i) District/City Courts Accounting Law (§16-10-201 to –210)
- j) Arkansas Speed Trap Law (§12-8-401 to 12-8-403)
- k) Purchases and Payments of Claims, etc. (§14-58-301 et seq.)

We found no exceptions as a result of the procedures.

We were engaged by the City of Emmet, Arkansas to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City of Emmet, Arkansas and to meet other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City of Emmet, Arkansas and Legislative Joint Auditing Committee, and is not intended to be and should not be used by anyone other than those specified parties.

Turner, Rodgers, Manning & Plyler, PLLC
Arkadelphia, AR
May 13, 2024

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Mayor and City Council
City of Emmet, Arkansas
Emmet, AR

Management is responsible for the accompanying statement of cash receipts and disbursements of the City of Emmet, Arkansas for the year ended December 31, 2022, in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial statement.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in the financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the City of Emmet, Arkansas' cash receipts and disbursements. Accordingly, the financial statement is not for those who are not informed about such matters.

The supplemental information contained in Schedule I on page 5 is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Turner, Rodgers, Manning & Plyler, PLLC
Arkadelphia, Arkansas
May 13, 2024

CITY OF EMMET, ARKANSAS
 STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	Street Fund
CASH RECEIPTS:		
State Turnback	\$ 23,669	\$ 35,830
Property Taxes	-	4,046
Sales Taxes	48,210	-
Franchise Revenue	13,149	-
ARPA Funds	47,755	-
Rental Income	6,413	-
Interest Income	1,015	204
Miscellaneous Income	11,516	-
TOTAL CASH RECEIPTS	151,727	40,080
CASH DISBURSEMENTS:		
Salaries / Wages / Labor / Payroll Taxes	51,229	12,654
Capital Assets	29,350	-
Dues and Subscriptions	175	-
Insurance	3,938	800
Legal and Accounting	4,869	-
Office	891	-
Repairs and Maintenance	8,678	2,074
Retirement	2,984	-
Sanitation	5,692	-
Supplies and Materials	3,761	11,209
Taxes	453	-
Utilities and Telephone	8,056	6,784
Miscellaneous	282	9,546
TOTAL CASH DISBURSEMENTS	120,358	43,067
NET CHANGE IN CASH AND CERTIFICATES OF DEPOSIT	31,369	(2,987)
Cash and Certificates of Deposit - January 1, 2022	160,137	87,007
Cash and Certificates of Deposit - December 31, 2022	\$ 191,506	\$ 84,020

See Independent Accountants' Compilation Report.

SUPPLEMENTARY INFORMATION

CITY OF EMMET, ARKANSAS
SCHEDULE OF OTHER INFORMATION
DECEMBER 31, 2022

The Municipality's capital assets records are summarized below:

Land	\$ 16,500
Buildings and Improvements	63,569
Vehicles, Machinery and Equipment	<u>133,115</u>
TOTAL	<u>\$ 213,184</u>