

City of Hackett, Arkansas

Financial and Compliance Report

December 31, 2023

*Including Financial Information
For
December 31, 2022*

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF HACKETT, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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Arkansas

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Sen. John Payton
Senate Vice Chair



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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Hackett, 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 Hackett, Arkansas, as of and for the year ended December 31, 2023. Additionally, we requested certain cash basis information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the year ended December 31, 2022, and have issued our report thereon dated July 25, 2024. 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 2023 and 2022:

Mayor: Louis Kirkendall (2023)
Trini Harper (2022)
Recorder: Patricia Black
Treasurer: Kelly Lane
City Clerk: Jennifer Costa
Police Chief: Sean White

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 black ink, appearing to read "Kevin White", written over a horizontal line.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
July 25, 2024
LOM207623

CITY OF HACKETT, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 350,716	\$ 409,622
Receipts:		
State aid	25,846	66,136
Property taxes	44,555	13,366
Franchise fees	50,152	
Sales taxes	315,494	21,691
Fines, forfeitures, and costs	22,283	
Interest	1,930	4,577
Local permits and fees	9,745	
Contribution from water department	67,741	
Other	79,686	18,779
Total Receipts	<u>617,432</u>	<u>124,549</u>
Disbursements:		
General government	233,264	126,480
Law enforcement	212,059	
Highways and streets	4,598	71,514
Public safety	62,584	
Recreation and culture	36,518	
Debt service	15,867	
Contributions to water	56,158	
Total Disbursements	<u>621,048</u>	<u>197,994</u>
Cash Balance, December 31, 2023	<u>\$ 347,100</u>	<u>\$ 336,177</u>

CITY OF HACKETT, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>American Rescue Plan Act (ARPA)</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 279,505	\$ 130,117	\$ 409,622
Receipts:			
State aid	66,136		66,136
Property taxes	13,366		13,366
Sales taxes	21,691		21,691
Interest	3,932	645	4,577
Other	18,779		18,779
Total Receipts	<u>123,904</u>	<u>645</u>	<u>124,549</u>
Disbursements:			
General government		126,480	126,480
Highways and streets	71,514		71,514
Total Disbursements	<u>71,514</u>	<u>126,480</u>	<u>197,994</u>
Cash Balance, December 31, 2023	<u>\$ 331,895</u>	<u>\$ 4,282</u>	<u>\$ 336,177</u>

CITY OF HACKETT, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2022	\$ 474,065	\$ 381,174
Receipts:		
State aid	36,525	67,688
Federal aid		87,430
Property taxes	42,541	12,762
Franchise fees	43,942	
Sales taxes	307,759	20,555
Fines, forfeitures, and costs	26,002	
Interest	1,060	1,744
Local permits and fees	9,325	
Contribution from water department	67,741	
Other	56,119	17
Total Receipts	<u>591,014</u>	<u>190,196</u>
Disbursements:		
General government	193,459	45,027
Law enforcement	219,940	
Highways and streets	3,540	116,721
Public safety	65,939	
Recreation and culture	153,073	
Debt service	23,312	
Contribution to water department	55,100	
Total Disbursements	<u>714,363</u>	<u>161,748</u>
Cash Balance, December 31, 2022	<u>\$ 350,716</u>	<u>\$ 409,622</u>

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

Schedule 4

	<u>Street</u>	<u>American Rescue Plan Act (ARPA)</u>	<u>Total</u>
Cash Balance, January 1, 2022	\$ 293,763	\$ 87,411	\$ 381,174
Receipts:			
State aid	67,688		67,688
Federal aid		87,430	87,430
Property taxes	12,762		12,762
Sales taxes	20,555		20,555
Interest	1,441	303	1,744
Other	17		17
Total Receipts	<u>102,463</u>	<u>87,733</u>	<u>190,196</u>
Disbursements:			
General government		45,027	45,027
Highways and streets	116,721		116,721
Total Disbursements	<u>116,721</u>	<u>45,027</u>	<u>161,748</u>
Cash Balance, December 31, 2022	<u>\$ 279,505</u>	<u>\$ 130,117</u>	<u>\$ 409,622</u>

CITY OF HACKETT, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
 (UNAUDITED)

1. Cash balances on the Financial Schedules include demand accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
 General, Park, Fire Department, Police Department, and Police Special Account.

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

	December 31, 2023	December 31, 2022
Land	\$ 80,318	\$ 80,318
Buildings	556,644	556,644
Equipment	743,793	696,895
Totals	\$ 1,380,755	\$ 1,333,857

4. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2023	December 31, 2022
Financed purchases	\$ 18,164	\$ 33,232

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 87,430