

# **City of Havana, Arkansas**

## **Financial and Compliance Report**

**December 31, 2021 and 2020**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF HAVANA, ARKANSAS  
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# Arkansas

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**Sen. Gary Stubblefield**  
Senate Vice Chair



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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 Havana, 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 Havana, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated March 15, 2022. These procedures were not performed for the Water and Sewer Funds. 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 held office during 2021 and 2020:

Mayor: Rick Bryant  
Recorder/Treasurer: Robin Duvall

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, reading "Roger A. Norman".

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

Little Rock, Arkansas  
March 15, 2022  
LOM208221

CITY OF HAVANA, 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	\$ 759,835	\$ 52,967
Receipts:		
State aid	5,706	38,453
Federal aid		37,604
Property taxes	11,595	2,342
Franchise fees	14,810	
Sales taxes	82,564	
Interest	3,550	22
Local permits and fees	12,800	
Sanitation fees	77,856	
Donations	3,383	
Other	13,300	323
Total Receipts	<u>225,564</u>	<u>78,744</u>
Disbursements:		
General government	127,183	2,343
Law enforcement	2,786	
Highways and streets		18,312
Public safety	19,532	22,269
Sanitation	40,164	
Recreation and culture	5,362	
Social services	2,128	
Total Disbursements	<u>197,155</u>	<u>42,924</u>
Cash Balance, December 31, 2021	<u>\$ 788,244</u>	<u>\$ 88,787</u>

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

Schedule 2

	Street	Fire Department (Act 833)	American Rescue Plan ACT (ARPA)	Total
Cash Balance, January 1, 2021	\$ 24,530	\$ 28,437		\$ 52,967
Receipts:				
State aid	28,180	10,273		38,453
Federal aid			\$ 37,604	37,604
Property taxes	2,342			2,342
Interest	16		6	22
Other	323			323
Total Receipts	<u>30,861</u>	<u>10,273</u>	<u>37,610</u>	<u>78,744</u>
Disbursements:				
General government			2,343	2,343
Highways and streets	18,312			18,312
Public safety		22,269		22,269
Total Disbursements	<u>18,312</u>	<u>22,269</u>	<u>2,343</u>	<u>42,924</u>
Cash Balance, December 31, 2021	<u>\$ 37,079</u>	<u>\$ 16,441</u>	<u>\$ 35,267</u>	<u>\$ 88,787</u>

CITY OF HAVANA, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2020  
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2020	\$ 687,048	\$ 34,567
Receipts:		
State aid	5,564	38,062
Property taxes	12,392	2,479
Franchise fees	14,955	
Sales taxes	72,641	
Interest	4,984	13
Local permits and fees	13,800	
Sanitation fees	74,649	
Sale of cemetery lots	200	
Donations	1,860	
Other	16,750	335
Total Receipts	<u>217,795</u>	<u>40,889</u>
Disbursements:		
General government	49,113	
Law enforcement	2,864	
Highways and streets		20,017
Public safety	14,133	2,472
Sanitation	39,528	
Recreation and culture	36,274	
Social services	3,096	
Total Disbursements	<u>145,008</u>	<u>22,489</u>
Cash Balance, December 31, 2020	<u>\$ 759,835</u>	<u>\$ 52,967</u>

CITY OF HAVANA, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2020  
 (UNAUDITED)

Schedule 4

	Street	Fire Department (Act 833)	Total
Cash Balance, January 1, 2020	\$ 13,411	\$ 21,156	\$ 34,567
Receipts:			
State aid	28,309	9,753	38,062
Property taxes	2,479		2,479
Interest	13		13
Other	335		335
Total Receipts	<u>31,136</u>	<u>9,753</u>	<u>40,889</u>
Disbursements:			
Highways and streets	20,017		20,017
Public safety		2,472	2,472
Total Disbursements	<u>20,017</u>	<u>2,472</u>	<u>22,489</u>
Cash Balance, December 31, 2020	<u>\$ 24,530</u>	<u>\$ 28,437</u>	<u>\$ 52,967</u>

CITY OF HAVANA, ARKANSAS  
OTHER INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020  
(UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
General, Sanitation, Volunteer Fire Department, Fire Department - Moore's Chapel Station (Closed in 2020), and Cemetery Maintenance.

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

	December 31, 2021	December 31, 2020
Land	\$ 67,000	\$ 67,000
Buildings	454,800	435,800
Vehicles & Equipment	980,368	880,142
Total	<u>\$ 1,502,168</u>	<u>\$ 1,382,942</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 37,604</u>