

City of Havana, Arkansas

Financial Information Report

December 31, 2023 and 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



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

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Arkansas

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial Information 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 requested certain cash basis financial information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the City of Havana, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated February 14, 2024. This information was not requested 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 who held office during 2023:

Mayor: Walter Gorman (2023)
Rick Bryant (2022)
Recorder/Treasurer: Robin Duvall

No issues 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
February 14, 2024
LOM208223

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

Schedule 1

	General Fund	Special Revenue Fund (Street)
	<u> </u>	<u> </u>
Cash Balance, January 1, 20222023	\$ 884,668	\$ 108,350
Receipts:		
State aid	3,634	32,474
Property taxes	13,542	2,693
Franchise fees	19,692	
Sales taxes	82,723	
Sale of cemetery lots	900	
Interest	7,952	64
Local permits and fees	11,050	
Sanitation fees	80,955	
Donations	1,392	
Other	6,509	
Sale of equipment		8,995
Total Receipts	<u>228,349</u>	<u>44,226</u>
Disbursements:		
General government	89,765	45,946
Law enforcement	3,006	
Highways and streets		44,508
Public safety	15,153	17,568
Sanitation	50,990	
Recreation and culture	10,619	
Social services	4,175	
Contributions to water department		
Total Disbursements	<u>173,708</u>	<u>108,022</u>
Cash Balance, December 31, 20222023	<u>\$ 939,309</u>	<u>\$ 44,554</u>

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

Schedule 2

	Street	Fire Department (Act 833)	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 38,798	\$ 16,978	\$ 52,574	\$ 108,350
Receipts:				
State aid	20,161	12,313		32,474
Property taxes	2,693			2,693
Interest	43		21	64
Sale of equipment	8,995			8,995
Total Receipts	<u>31,892</u>	<u>12,313</u>	<u>21</u>	<u>44,226</u>
Disbursements:				
General government			45,946	45,946
Highways and streets	44,508			44,508
Public safety		17,568		17,568
Total Disbursements	<u>44,508</u>	<u>17,568</u>	<u>45,946</u>	<u>108,022</u>
Cash Balance, December 31, 2023	<u>\$ 26,182</u>	<u>\$ 11,723</u>	<u>\$ 6,649</u>	<u>\$ 44,554</u>

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

Schedule 3

	General Fund	Special Revenue Fund (Street)
	<u> </u>	<u> </u>
Cash Balance, January 1, 2022	\$ 788,244	\$ 88,787
Receipts:		
State aid	3,565	31,829
Federal aid		37,603
Property taxes	9,355	1,873
Franchise fees	16,305	
Sales taxes	77,141	
Sale of cemetery lots	900	
Interest	2,068	54
Local permits and fees	11,750	
Sanitation fees	79,596	
Donations	4,475	
Other	6,168	
Total Receipts	<u>211,323</u>	<u>71,359</u>
Disbursements:		
General government	41,056	1,292
Law enforcement	2,838	
Highways and streets		20,812
Public safety	12,395	10,658
Sanitation	52,869	
Recreation and culture	3,150	
Social services	2,591	
Water & sewer		19,034
Total Disbursements	<u>114,899</u>	<u>51,796</u>
Cash Balance, December 31, 2022	<u>\$ 884,668</u>	<u>\$ 108,350</u>

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

Schedule 4

	Street	Fire Department (Act 833)	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 37,079	\$ 16,441	\$ 35,267	\$ 88,787
Receipts:				
State aid	20,634	11,195		31,829
Federal aid			37,603	37,603
Property taxes	1,873			1,873
Interest	24		30	54
Total Receipts	<u>22,531</u>	<u>11,195</u>	<u>37,633</u>	<u>71,359</u>
Disbursements:				
General government			1,292	1,292
Highways and streets	20,812			20,812
Public safety		10,658		10,658
Water & sewer			19,034	19,034
Total Disbursements	<u>20,812</u>	<u>10,658</u>	<u>20,326</u>	<u>51,796</u>
Cash Balance, December 31, 2022	<u>\$ 38,798</u>	<u>\$ 16,978</u>	<u>\$ 52,574</u>	<u>\$ 108,350</u>

CITY OF HAVANA, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
 (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, and Cemetery Maintenance
3. The Municipality's capital assets records are summarized below:

	December 31, 2023	December 31, 2022
Land	\$ 67,000	\$ 67,000
Buildings	454,800	454,800
Vehicles & Equipment	1,010,435	983,435
Totals	\$ 1,532,235	\$ 1,505,235

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 37,603