

# **City of Hickory Ridge, Arkansas**

## **Financial and Compliance Report**

**December 31, 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF HICKORY RIDGE, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 2021

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# Arkansas

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Senate Vice Chair



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

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Hickory Ridge, 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 Hickory Ridge, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated January 27, 2023. 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: Billy Joe Proctor  
Recorder/Treasurer: Michele Butler

We evaluated the City's compliance with certain state laws concerning general 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  
January 27, 2023  
LOM208421

CITY OF HICKORY RIDGE, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2021  
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds	Pension Trust Fund (Firemen's Pension)
Cash and Investment Balance, January 1, 2021	\$ 141,788	\$ 155,906	\$ 261,631
Receipts:			
State aid	4,297	21,537	2,521
Federal aid		24,965	
Property taxes	8,676	3,511	1,638
Franchise fees	9,649		
Sales taxes	41,630		
Fines, forfeitures, and costs	1,195		
Interest	203	212	
Sanitation fees	25,857		
Contributions from water department	6,526	5,000	
Gain/(Loss) on sale of investments			81,533
Investment income			2,382
Other	830	1	
Transfers in		1,000	
Total Receipts	<u>98,863</u>	<u>56,226</u>	<u>88,074</u>
Disbursements:			
General government	72,219		
Law enforcement	128		
Highways and streets		70,945	
Public safety		12,987	34,481
Sanitation	26,018		
Recreation and culture	3,857		
Contribution to Local Police and Fire Retirement System			315,224
Transfers out	1,000		
Contributions to water department		10,572	
Total Disbursements	<u>103,222</u>	<u>94,504</u>	<u>349,705</u>
Cash Balance, December 31, 2021	<u>\$ 137,429</u>	<u>\$ 117,628</u>	<u>\$ 0</u>

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

Schedule 2

	Street	Local Police and Fire Retirement Cost	Volunteer Fire Department	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 133,982	\$ 8,184	\$ 13,740		\$ 155,906
Receipts:					
State aid	21,537				21,537
Federal aid				\$ 24,965	24,965
Property taxes	3,511				3,511
Interest	198	14			212
Contributions from water department	5,000				5,000
Other		1			1
Transfers in			1,000		1,000
Total Receipts	<u>30,246</u>	<u>15</u>	<u>1,000</u>	<u>24,965</u>	<u>56,226</u>
Disbursements:					
Highways and streets	70,945				70,945
Public safety		2,172	10,815		12,987
Contributions to water department				10,572	10,572
Total Disbursements	<u>70,945</u>	<u>2,172</u>	<u>10,815</u>	<u>10,572</u>	<u>94,504</u>
Cash Balance, December 31, 2021	<u>\$ 93,283</u>	<u>\$ 6,027</u>	<u>\$ 3,925</u>	<u>\$ 14,393</u>	<u>\$ 117,628</u>

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

Schedule 3

1. Cash and investment balances on the Financial Schedules include demand accounts and mutual funds. Investments are recorded at cost basis.

2. The General Fund column on the Financial Schedules includes the following bank accounts:  
General, General Special, and Parks and Recreation

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

	December 31, 2021
Land	\$ 39,100
Buildings	333,406
Equipment	215,524
Total	<u>\$ 588,030</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 24,965</u>