

City of Leslie, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF LESLIE, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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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 and Compliance Report

City of Leslie, 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 Leslie, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated September 8, 2022. These procedures were not performed for the Water Department. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2021 and 2020:

Mayor: Talitha Hardin
Recorder/Treasurer: Benny Davis

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.

Noncompliance with state law and accepted accounting practices was noted in the office of **Mayor**.

Mayor

An annual audit or agreed-upon procedures and compilation report was not obtained for the Water Department and submitted to Arkansas Legislative Audit, in noncompliance with Ark. Code Ann. § 14-234-119. A similar finding was issued in the previous two reports dating back to 2015.

The minutes of the governing body did not document the review of the findings and recommendations and the action taken by the governing body for the prior report, as required by Ark. Code Ann. § 10-4-418. A similar finding was issued in the previous 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 that reads "Roger A. Norman".

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

Little Rock, Arkansas
September 8, 2022
LOM210921

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

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2021	\$ 145,122	\$ 336,346
Receipts:		
State aid	6,983	35,026
Federal aid		181,500
Property taxes	4,686	4,465
Franchise fees	14,727	
Sales taxes	71,478	71,103
Interest		221
Local permits and fees	4,106	
Other	251	2,490
Total Receipts	<u>102,231</u>	<u>294,805</u>
Disbursements:		
General government	68,810	
Law enforcement	9,300	
Highways and streets		157,977
Public safety		25,130
Sanitation		47,277
Total Disbursements	<u>78,110</u>	<u>230,384</u>
Cash Balance, December 31, 2021	<u>\$ 169,243</u>	<u>\$ 400,767</u>

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

Schedule 2

	Street	Fire Department	Sanitation Department	Sidewalk Grant	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 178,379	\$ 35,738	\$ 122,229			\$ 336,346
Receipts:						
State aid	35,026					35,026
Federal aid				\$ 138,510	\$ 42,990	181,500
Property taxes	4,465					4,465
Sales taxes		23,826	47,277			71,103
Interest	14		207			221
Other	1,190	1,300				2,490
Total Receipts	<u>40,695</u>	<u>25,126</u>	<u>47,484</u>	<u>138,510</u>	<u>42,990</u>	<u>294,805</u>
Disbursements:						
Highways and streets	19,467			138,510		157,977
Public safety		25,130				25,130
Sanitation			47,277			47,277
Total Disbursements	<u>19,467</u>	<u>25,130</u>	<u>47,277</u>	<u>138,510</u>		<u>230,384</u>
Cash Balance, December 31, 2021	<u>\$ 199,607</u>	<u>\$ 35,734</u>	<u>\$ 122,436</u>	<u>\$ 0</u>	<u>\$ 42,990</u>	<u>\$ 400,767</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2020	\$ 124,182	\$ 302,822
Receipts:		
State aid	6,543	41,387
Federal aid	12,989	6,300
Property taxes	4,544	4,315
Franchise fees	14,785	
Sales taxes	62,053	62,795
Fines, forfeitures, and costs	250	
Interest		225
Local permits and fees	2,219	
Other	1,185	500
Total Receipts	<u>104,568</u>	<u>115,522</u>
Disbursements:		
General government	74,328	
Law enforcement	9,300	
Highways and streets		16,917
Public safety		22,970
Sanitation		42,111
Total Disbursements	<u>83,628</u>	<u>81,998</u>
Cash Balance, December 31, 2020	<u>\$ 145,122</u>	<u>\$ 336,346</u>

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

Schedule 4

	Street	Fire Department	Sanitation Department	Sidewalk Grant	Total
Cash Balance, January 1, 2020	<u>\$ 151,365</u>	<u>\$ 29,429</u>	<u>\$ 122,028</u>		<u>\$ 302,822</u>
Receipts:					
State aid	33,292	8,095			41,387
Federal aid				\$ 6,300	6,300
Property taxes	4,315				4,315
Sales taxes		20,684	42,111		62,795
Interest	24		201		225
Other		500			500
Total Receipts	<u>37,631</u>	<u>29,279</u>	<u>42,312</u>	<u>6,300</u>	<u>115,522</u>
Disbursements:					
Highways and streets	10,617			6,300	16,917
Public safety		22,970			22,970
Sanitation			42,111		42,111
Total Disbursements	<u>10,617</u>	<u>22,970</u>	<u>42,111</u>	<u>6,300</u>	<u>81,998</u>
Cash Balance, December 31, 2020	<u>\$ 178,379</u>	<u>\$ 35,738</u>	<u>\$ 122,229</u>	<u>\$ 0</u>	<u>\$ 336,346</u>

CITY OF LESLIE, 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 Municipality's capital assets records are summarized below:

	December 31, 2021	December 31, 2020
Land	\$ 106,347	\$ 106,347
Buildings	463,357	463,357
Equipment	403,708	399,719
Totals	<u>\$ 973,412</u>	<u>\$ 969,423</u>

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

	December 31, 2021	December 31, 2020
Coronavirus Aid, Relief and Economic Security Act (CARES)		\$ 12,989
American Rescue Plan Act (ARPA)	<u>\$ 42,990</u>	
	<u>\$ 42,990</u>	<u>\$ 12,989</u>