

City of Mammoth Spring, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF MAMMOTH SPRING, ARKANSAS
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Arkansas

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Senate Chair
Sen. John Payton
Senate Vice Chair



Rep. Jimmy Gazaway
House Chair
Rep. Richard Womack
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 Mammoth Spring, 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 Mammoth Spring, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated January 11, 2023. 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 2021 and 2020:

Mayor: Charles Vaughn
Recorder/Treasurer: June Grant
Police Chief: Michael Davis

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, reading "Roger A. Norman".

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

Little Rock, Arkansas
January 11, 2023
LOM211921

CITY OF MAMMOTH SPRING, 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	\$ 110,007	\$ 82,178
Receipts:		
State aid	28,239	79,569
Federal aid	2,550	116,059
Property taxes	46,468	9,215
Franchise fees	54,342	
Sales taxes	188,414	58,186
Fines, forfeitures, and costs	11,589	
Interest	1,058	588
Local permits and fees	25	
Advertising and promotion taxes		15,975
Loan proceeds	35,000	
Other	10,380	27,628
Transfers in		10,020
Total Receipts	<u>378,065</u>	<u>317,240</u>
Disbursements:		
General government	159,078	
Law enforcement	132,538	
Highways and streets		167,087
Public safety	31,582	2,679
Recreation and culture	22,999	
Social services	10,100	16,622
Advertising and promotion		17,284
Debt service	19,482	
Transfers out	10,020	
Total Disbursements	<u>385,799</u>	<u>203,672</u>
Cash Balance, December 31, 2021	<u>\$ 102,273</u>	<u>\$ 195,746</u>

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

Schedule 2

	Street	Advertising and Promotions (A & P)	Local Police & Fire Retirement (LOPFI)	American Rescue Plan Act	Arkansas Economic Development Commission	Total
Cash Balance, January 1, 2021	\$ 62,814	\$ 16,215	\$ 3,149			\$ 82,178
Receipts:						
State aid	79,569					79,569
Federal aid				\$ 99,447	\$ 16,612	116,059
Property taxes	9,215					9,215
Sales taxes	58,186					58,186
Interest	439	65	11	73		588
Advertising and promotion taxes		15,975				15,975
Other	27,487	141				27,628
Transfers in			10,000		20	10,020
Total Receipts	<u>174,896</u>	<u>16,181</u>	<u>10,011</u>	<u>99,520</u>	<u>16,632</u>	<u>317,240</u>
Disbursements:						
Highways and streets	167,087					167,087
Public safety			2,679			2,679
Social services					16,622	16,622
Advertising and promotion		17,284				17,284
Total Disbursements	<u>167,087</u>	<u>17,284</u>	<u>2,679</u>		<u>16,622</u>	<u>203,672</u>
Cash Balance, December 31, 2021	<u>\$ 70,623</u>	<u>\$ 15,112</u>	<u>\$ 10,481</u>	<u>\$ 99,520</u>	<u>\$ 10</u>	<u>\$ 195,746</u>

CITY OF MAMMOTH SPRING, 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	\$ 86,413	\$ 92,181
Receipts:		
State aid	26,350	121,255
Property taxes	46,429	9,205
Franchise fees	51,621	
Sales taxes	150,854	48,585
Fines, forfeitures, and costs	12,668	
Interest	756	585
Local permits and fees	65	
Advertising and promotion taxes		13,306
Loan proceeds	13,000	
Other	16,699	2,885
Total Receipts	<u>318,442</u>	<u>195,821</u>
Disbursements:		
General government	107,073	
Law enforcement	130,029	
Highways and streets		148,873
Public safety	30,775	2,683
Recreation and culture	13,885	47,560
Advertising & promotion		6,708
Debt service	13,086	
Total Disbursements	<u>294,848</u>	<u>205,824</u>
Cash Balance, December 31, 2020	<u>\$ 110,007</u>	<u>\$ 82,178</u>

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

Schedule 4

	Street	Advertising and Promotions (A & P)	Local Police & Fire Retirement (LOPFI)	Park Grant	Total
Cash Balance, January 1, 2020	\$ 77,032	\$ 9,339	\$ 5,810		\$ 92,181
Receipts:					
State aid	73,755			\$ 47,500	121,255
Property taxes	9,205				9,205
Sales taxes	48,585				48,585
Interest	425	78	22	60	585
Advertising and promotion taxes		13,306			13,306
Other	2,685	200			2,885
Total Receipts	<u>134,655</u>	<u>13,584</u>	<u>22</u>	<u>47,560</u>	<u>195,821</u>
Disbursements:					
Highways and streets	148,873				148,873
Public safety			2,683		2,683
Recreation and culture				47,560	47,560
Advertising & promotion		6,708			6,708
Total Disbursements	<u>148,873</u>	<u>6,708</u>	<u>2,683</u>	<u>47,560</u>	<u>205,824</u>
Cash Balance, December 31, 2020	<u>\$ 62,814</u>	<u>\$ 16,215</u>	<u>\$ 3,149</u>	<u>\$ 0</u>	<u>\$ 82,178</u>

CITY OF MAMMOTH SPRING, 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.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General and Equipment
3. The Municipality's capital assets records are summarized below:

	December 31, 2021	December 31, 2020
Land	\$ 115,000	\$ 115,000
Buildings	449,398	449,398
Equipment	810,644	710,533
Totals	<u>\$ 1,375,042</u>	<u>\$ 1,274,931</u>

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

	December 31, 2021	December 31, 2020
Notes payable	<u>\$ 45,250</u>	<u>\$ 27,908</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 99,447</u>