

City of McDougal, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF MCDOUGAL, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2022

Financial and Compliance Report

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Arkansas

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Senate Chair
Sen. John Payton
Senate Vice Chair



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House Chair
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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 McDougal, 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 McDougal, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated September 21, 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 2022:

Mayor: Carroll Shipman
Recorder/Treasurer: Bobby Brown

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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
September 21, 2023
LOM212522

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

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2022	\$ 64,715	\$ 82,815
Receipts:		
State aid	1,999	25,289
Federal aid		17,300
Property taxes	3,287	986
Franchise fees	34	
Sales taxes	23,255	
Local permits and fees	50	5,675
Total Receipts	<u>28,625</u>	<u>49,250</u>
Disbursements:		
General government	10,231	
Highways and streets		18,112
Public safety		12,508
Wastewater	5,725	17,900
Total Disbursements	<u>15,956</u>	<u>48,520</u>
Cash Balance, December 31, 2022	<u>\$ 77,384</u>	<u>\$ 83,545</u>

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

Schedule 2

	<u>Street</u>	<u>Fire Department</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2022	\$ 32,247	\$ 33,314	\$ 17,254	\$ 82,815
Receipts:				
State aid	11,569	13,720		25,289
Federal aid			17,300	17,300
Property taxes	986			986
Local permits and fees		5,675		5,675
Total Receipts	<u>12,555</u>	<u>19,395</u>	<u>17,300</u>	<u>49,250</u>
Disbursements:				
Highways and streets	18,112			18,112
Public safety		12,508		12,508
Wastewater			17,900	17,900
Total Disbursements	<u>18,112</u>	<u>12,508</u>	<u>17,900</u>	<u>48,520</u>
Cash Balance, December 31, 2022	<u>\$ 26,690</u>	<u>\$ 40,201</u>	<u>\$ 16,654</u>	<u>\$ 83,545</u>

CITY OF MCDUGAL, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.

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

	<u>December 31, 2022</u>
Land	\$ 11,295
Buildings	147,720
Equipment	<u>103,369</u>
Total	<u><u>\$ 262,384</u></u>

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

	<u>December 31, 2022</u>
American Rescue Plan Act (ARPA)	<u><u>\$ 17,300</u></u>