

City of Monette, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF MONETTE, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

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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 Monette, 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 Monette, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated December 2, 2022. These procedures were not performed 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 2021:

Mayor: Bob Blankenship
Recorder/Treasurer: Holly Corter (resigned August 6, 2021)
Terry Thomas (appointed August 9, 2021)
Police Chief: Brian Carmichael

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.

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
December 2, 2022
LOM213121

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2021	\$ 269,693	\$ 792,759
Receipts:		
State aid	24,431	173,308
Federal aid	2,550	165,228
Property taxes	35,811	22,676
Franchise fees	83,377	
Sales taxes	579,941	98,781
Fines, forfeitures, and costs	50,710	
Interest	1,128	3,581
Local permits and fees	3,686	
Sanitation fees		104,923
Plot sales		7,200
Donations		28,329
Rentals		6,860
Other	67,437	20,742
Transfers in	101,707	5,000
Sales tax distributed to water department		15,000
Total Receipts	<u>950,778</u>	<u>651,628</u>
Disbursements:		
General government	279,032	10
Law enforcement	346,204	
Highways and streets	26,829	151,390
Public safety	17,258	53,866
Sanitation	23,927	136,571
Recreation and culture	21,982	40,951
Social services	1,228	27,429
Sales tax distributed to water department	126,505	
Contribution to water department		14,523
Debt service	54,049	
Transfers out	5,000	101,707
Total Disbursements	<u>902,014</u>	<u>526,447</u>
Cash Balance, December 31, 2021	<u>\$ 318,457</u>	<u>\$ 917,940</u>

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

Schedule 2

	Street	Park	Museum	Sanitation	Fire Equipment and Training	Cemetery	Fire	Veteran's Park	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 5,999	\$ 132,896	\$ 1,514	\$ 222,981	\$ 91,222	\$ 248,029	\$ 56,351	\$ 33,767		\$ 792,759
Receipts:										
State aid	123,826				49,482					173,308
Federal aid									\$ 165,228	165,228
Property taxes	22,676			32,927						22,676
Sales taxes	32,927	32,927		32,927						98,781
Interest	64	199	1	249	132	2,851	42	15	28	3,581
Sanitation fees				104,923						104,923
Plot sales						7,200				7,200
Donations			511			7,280	20,138	400		28,329
Rentals				6,860						6,860
Other	19,548					1,194				20,742
Transfers in			5,000							5,000
Contribution from water department	15,000									15,000
Total Receipts	214,041	33,126	5,512	144,959	49,614	18,525	20,180	415	165,256	651,628
Disbursements:										
General government									10	10
Highways and streets	151,390									151,390
Public safety					43,911		9,955			53,866
Sanitation				136,571						136,571
Recreation and culture		34,657	5,477					817		40,951
Social services						27,429				27,429
Contribution to water department									14,523	14,523
Transfers out				101,707						101,707
Total Disbursements	151,390	34,657	5,477	238,278	43,911	27,429	9,955	817	14,533	526,447
Cash Balance, December 31, 2021	\$ 68,650	\$ 131,365	\$ 1,549	\$ 129,662	\$ 96,925	\$ 239,125	\$ 66,576	\$ 33,365	\$ 150,723	\$ 917,940

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

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General and Beautification funds
3. The Municipality's capital assets records are summarized below:

	December 31, 2021
Land	\$ 174,659
Buildings	905,951
Equipment	<u>1,636,046</u>
Total	<u><u>\$ 2,716,656</u></u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u><u>\$ 165,228</u></u>