

City of Rison, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF RISON, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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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 Rison, 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 Rison, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated December 12, 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 and 2021:

Mayor: Vernon Dollar (resigned February 1, 2022)
Charles Roberts (appointed February 1, 2022)
Recorder/Treasurer: Rhonda Thompson

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
December 12, 2023
LOM216522

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 227,964	\$ 242,612
Receipts:		
State aid	14,426	92,533
Federal aid		125,551
Property taxes	34,042	18,247
Franchise fees	61,347	
Sales taxes	335,872	
Interest	426	45
Local permits and fees	1,400	
Other	141	400
Transfers in	11,015	
Total Receipts	<u>458,669</u>	<u>236,776</u>
Disbursements:		
General government	137,840	
Law enforcement	129,964	
Highways and streets		137,623
Public safety	29,877	
Transfers out		11,015
Contributions to water and sewer department	235,000	26,000
Total Disbursements	<u>532,681</u>	<u>174,638</u>
Cash Balance, December 31, 2022	<u>\$ 153,952</u>	<u>\$ 304,750</u>

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

Schedule 2

	Street	Police Equipment	Fire Department Training	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 120,478	\$ 14,716	\$ 13,838	\$ 93,580	\$ 242,612
Receipts:					
State aid	83,487		9,046		92,533
Federal aid				125,551	125,551
Property taxes	18,247				18,247
Interest		45			45
Other	400				400
Total Receipts	<u>102,134</u>	<u>45</u>	<u>9,046</u>	<u>125,551</u>	<u>236,776</u>
Disbursements:					
Highways and streets	137,623				137,623
Transfers out			11,015		11,015
Contributions to water and sewer department				26,000	26,000
Total Disbursements	<u>137,623</u>		<u>11,015</u>	<u>26,000</u>	<u>174,638</u>
Cash Balance, December 31, 2022	<u>\$ 84,989</u>	<u>\$ 14,761</u>	<u>\$ 11,869</u>	<u>\$ 193,131</u>	<u>\$ 304,750</u>

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2021	\$ 280,281	\$ 98,507
Receipts:		
State aid	20,771	111,515
Federal aid		125,552
Property taxes	31,635	16,958
Franchise fees	66,178	
Sales taxes	313,020	
Interest	265	14
Local permits and fees	1,340	
Other	360	
Transfers in	22,733	
Total Receipts	<u>456,302</u>	<u>254,039</u>
Disbursements:		
General government	139,881	
Law enforcement	130,961	
Highways and streets		61,623
Public safety	58,673	
Settlement of lawsuit	40,000	
Transfers out		22,733
Contributions to water and sewer department	139,104	25,578
Total Disbursements	<u>508,619</u>	<u>109,934</u>
Cash Balance, December 31, 2021	<u>\$ 227,964</u>	<u>\$ 242,612</u>

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

Schedule 4

	Street	Police Equipment	Fire Department Training	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 61,928	\$ 14,702	\$ 21,877		\$ 98,507
Receipts:					
State aid	103,215		8,300		111,515
Federal aid				\$ 125,552	125,552
Property taxes	16,958				16,958
Interest		14			14
Total Receipts	<u>120,173</u>	<u>14</u>	<u>8,300</u>	<u>125,552</u>	<u>254,039</u>
Disbursements:					
Highways and streets	61,623				61,623
Transfers out			16,339	6,394	22,733
Contributions to water and sewer department				25,578	25,578
Total Disbursements	<u>61,623</u>		<u>16,339</u>	<u>31,972</u>	<u>109,934</u>
Cash Balance, December 31, 2021	<u>\$ 120,478</u>	<u>\$ 14,716</u>	<u>\$ 13,838</u>	<u>\$ 93,580</u>	<u>\$ 242,612</u>

CITY OF RISON, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand and savings accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, Sales Tax, City Hall Building and Fire Department Special.
3. The Municipality's capital assets records are summarized below:

	December 31, 2022	December 31, 2021
Land	\$ 125,000	\$ 125,000
Buildings and improvements	492,543	492,543
Equipment	419,904	422,904
	<u>419,904</u>	<u>422,904</u>
Totals	<u>\$ 1,037,447</u>	<u>\$ 1,040,447</u>

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

	December 31, 2022	December 31, 2021
American Rescue Plan Act (ARPA)	\$ 125,551	\$ 125,552
	<u>\$ 125,551</u>	<u>\$ 125,552</u>