

City of Wilmot, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF WILMOT, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

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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 Wilmot, 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 Wilmot, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated June 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 finding contained in this section relates to the following officials who held office during 2021:

Mayor: Carolyn Harris
Recorder/Treasurer: Ebony Jackson
Police Chief: Felita Miller

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

The City ended the year with a negative cash balance in the General Fund at December 31, 2021, of \$1,466.

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
June 12, 2023
LOM219821

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

Schedule 1

	General Fund	Special Revenue Funds	Debt Service Fund City Hall	Capital Projects Fund City Hall
Cash Balance, January 1, 2021	\$ 10,275	\$ 21,870		\$ 100
Receipts:				
State aid	20,884	57,179		
Federal aid	43,566	50,967		
Property taxes	19,279	2,600		
Franchise fees	22,521			
Sales taxes	119,721			
Fines, forfeitures, and costs	43,415			
Interest	2	5		7
Local permits and fees	75			
Garbage fees	21,175			
Community center rental	1,260			
Loan proceeds				48,695
Mosquito control	7,782			
Transfers in		4,690	\$ 600	19,860
Total Receipts	299,680	115,441	600	68,562
Disbursements:				
General government	105,389	18,082	46	68,655
Law enforcement	71,657	8,287		
Highways and streets		49,167		
Public safety	10,584	13,614		
Sanitation	37,731			
Recreation and culture	57,600	7,388		
Debt service	3,471		454	
Transfers out	24,989	161		
Total Disbursements	311,421	96,699	500	68,655
Cash Balance, December 31, 2021	\$ (1,466)	\$ 40,612	\$ 100	\$ 7

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

Schedule 2

	Street	Fire Equipment and Training (Act 833)	Fire Department	Drug Control	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 1,992	\$ 19,501	\$ 101	\$ 276		\$ 21,870
Receipts:						
State aid	42,645	14,534				57,179
Federal aid					\$ 50,967	50,967
Property taxes	2,600					2,600
Interest		5				5
Transfers in	3,500	1,190				4,690
Total Receipts	<u>48,745</u>	<u>15,729</u>			<u>50,967</u>	<u>115,441</u>
Disbursements:						
General government					18,082	18,082
Law enforcement				15	8,272	8,287
Highways and streets	49,167					49,167
Public safety		13,599	15			13,614
Recreation and culture					7,388	7,388
Transfers out		161				161
Total Disbursements	<u>49,167</u>	<u>13,760</u>	<u>15</u>	<u>15</u>	<u>33,742</u>	<u>96,699</u>
Cash Balance, December 31, 2021	<u>\$ 1,570</u>	<u>\$ 21,470</u>	<u>\$ 86</u>	<u>\$ 261</u>	<u>\$ 17,225</u>	<u>\$ 40,612</u>

CITY OF WILMOT, 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.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, County Sales Tax, Garbage, Community Center, Public Safety, and COPS Grant.
3. The Municipality's capital assets records are summarized below:

	December 31, 2021
Land and Buildings	\$ 2,560,476
Equipment	<u>738,894</u>
Total	<u><u>\$ 3,299,370</u></u>

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

	December 31, 2021
Note payable	\$ 22,982
USDA note payable	23,187
Construction Contract	<u>152,096</u>
Total	<u><u>\$ 198,265</u></u>

The City was approved for a \$143,000 loan with the United States Department of Agriculture Rural Development. As of December 31, 2021, the City had drawn \$24,444 of the available loan proceeds. The remainder of the proceeds totaling \$118,556 were drawn through February 24, 2022.

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u><u>\$ 50,967</u></u>