

City of Yellville, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF YELLVILLE, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Financial and Compliance Report

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Yellville, 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 Yellville, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated October 25, 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 and 2020:

Mayor: Shawn Lane
Recorder/Treasurer: Melissa Dorsey
District Court Clerk: Gayle Edmonson (Resigned December 15, 2021)
Jackie Story (Appointed December 15, 2021)

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
October 25, 2022
LOM220421

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

Schedule 1

	General Fund	Special Revenue Funds	Trust Funds
Cash and Investments Balance, January 1, 2021	\$ 347,658	\$ 296,677	\$ 716,136
Receipts:			
State aid	29,729	98,722	3,152
Federal aid		119,751	
Property taxes	72,444	22,006	14,546
Franchise fees	80,239		
Sales taxes	400,037	407,225	
Fines, forfeitures, and costs	14,000	4,032	
Interest	210	131	63,910
Local permits and fees	20,023		
Donations	6,149	29,679	
Rental income		7,851	
Other	39,675	5,858	159
Transfers in	2,000	32,173	
Total Receipts	<u>664,506</u>	<u>727,428</u>	<u>81,767</u>
Disbursements:			
General government	220,072		351
Law enforcement	117,243	220	
Highways and streets		457,535	
Public safety	51,264	690	59,308
Recreation and culture		126,051	
Cemetery		800	
Sales taxes collected and remitted to water	162,890		
Debt service		6,593	
Transfers out	14,423	19,750	
Loss on sale of investments			307
Total Disbursements	<u>565,892</u>	<u>611,639</u>	<u>59,966</u>
Cash and Investments Balance, December 31, 2021	<u>\$ 446,272</u>	<u>\$ 412,466</u>	<u>\$ 737,937</u>

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

Schedule 2

	Street	Local Police and Fire Retirement - LOPFI	Cemetery Perpetual Care	Park	Old City Dump	Yellville Depot
Cash Balance, January 1, 2021	\$ 219,198	\$ 32,799	\$ 3,702	\$ 10,233	\$ 3,971	\$ 2,688
Receipts:						
State aid	98,722					
Federal aid						
Property taxes	22,006					
Sales taxes	325,780			81,445		
Fines, forfeitures, and costs				2,382		
Interest	96	16	3	6	4	3
Donations				15,374		
Rental Income				4,851		3,000
Other	1,858		4,000			
Transfers in						2,750
Total Receipts	448,462	16	4,003	104,058	4	5,753
Disbursements:						
Law enforcement						
Highways and streets	457,535					
Public safety		690				
Recreation and culture				80,898		3,976
Cemetery			800			
Debt service	6,593					
Transfers out			2,000	17,750		
Total Disbursements	464,128	690	2,800	98,648		3,976
Cash Balance, December 31, 2021	\$ 203,532	\$ 32,125	\$ 4,905	\$ 15,643	\$ 3,975	\$ 4,465

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

Schedule 2

	Youth Sports	Court Automation	Park Donations	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 4,369	\$ 4,717	\$ 15,000		\$ 296,677
Receipts:					
State aid					98,722
Federal aid				\$ 119,751	119,751
Property taxes					22,006
Sales taxes					407,225
Fines, forfeitures, and costs		1,650			4,032
Interest	3				131
Donations	8,105		6,200		29,679
Rental Income					7,851
Other					5,858
Transfers in	14,423		15,000		32,173
Total Receipts	22,531	1,650	21,200	119,751	727,428
Disbursements:					
Law enforcement		220			220
Highways and streets					457,535
Public safety					690
Recreation and culture	20,872		20,305		126,051
Cemetery					800
Debt service					6,593
Transfers out					19,750
Total Disbursements	20,872	220	20,305		611,639
Cash Balance, December 31, 2021	\$ 6,028	\$ 6,147	\$ 15,895	\$ 119,751	\$ 412,466

CITY OF YELLVILLE, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - PENSION TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (UNAUDITED)

Schedule 5

	<u>Firemen's Pension</u>	<u>Layton Cemetery Trust</u>	<u>Total</u>
Cash and Investemnts Balance, January 1, 2021	\$ 654,923	\$ 61,213	\$ 716,136
Receipts:			
State aid	3,152		3,152
Property taxes	14,546		14,546
Interest	59,008	4,902	63,910
Other	159		159
Total Receipts	<u>76,865</u>	<u>4,902</u>	<u>81,767</u>
Disbursements:			
General government		351	351
Public safety	59,308		59,308
Loss on sale of investments	307		307
Total Disbursements	<u>59,615</u>	<u>351</u>	<u>59,966</u>
Cash and Investemnts Balance, December 31, 2021	<u>\$ 672,173</u>	<u>\$ 65,764</u>	<u>\$ 737,937</u>

CITY OF YELLVILLE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Schedule 6

	General Fund	Special Revenue Funds	Trust Funds
Cash and Investments Balance, January 1, 2020	\$ 292,037	\$ 270,915	\$ 645,581
Receipts:			
State aid	27,566	90,891	3,383
Property taxes	65,020	19,738	13,084
Franchise fees	79,235		
Sales taxes	363,113	370,324	
Fines, forfeitures, and costs	15,667	2,577	
Interest	302	241	40,422
Local permits and fees	21,514		
Donations		7,980	
Gain on sale of investments			53,914
Other	13,567	11,384	142
Transfers in		12,000	10,000
Total Receipts	<u>585,984</u>	<u>515,135</u>	<u>120,945</u>
Disbursements:			
General government	195,861		267
Law enforcement	133,195		
Highways and streets		356,838	
Public safety	51,178	782	50,123
Recreation and culture		91,473	
Cemetery		500	
Sales taxes collected and remitted to water	148,129		
Debt service		19,780	
Transfers out	2,000	20,000	
Total Disbursements	<u>530,363</u>	<u>489,373</u>	<u>50,390</u>
Cash and Investments Balance, December 31, 2020	<u>\$ 347,658</u>	<u>\$ 296,677</u>	<u>\$ 716,136</u>

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

Schedule 5

	Street	Local Police and Fire Retirement - LOPFI	Cemetery Perpetual Care	Park	Old City Dump	Yellville Depot	Youth Sports	Court Automation	Park Donations	Total
Cash Balance, January 1, 2020	\$ 188,665	\$ 33,513	\$ 9,483	\$ 11,168	\$ 3,963	\$ 7,425	\$ 5,744	\$ 3,454	\$ 7,500	\$ 270,915
Receipts:										
State aid	90,891									90,891
Property taxes	19,738									19,738
Sales taxes	296,259			74,065						370,324
Fines, forfeitures, and costs				1,314				1,263		2,577
Interest	125	68	19	8	8	7	6			241
Donations			200			50	7,400		330	7,980
Other	138		2,500	3,526			5,220			11,384
Transfers in			2,000						10,000	12,000
Total Receipts	407,151	68	4,719	78,913	8	57	12,626	1,263	10,330	515,135
Disbursements:										
Highways and streets	356,838									356,838
Public safety		782								782
Recreation and culture				69,848		4,794	14,001		2,830	91,473
Cemetery			500							500
Debt service	19,780									19,780
Transfers out			10,000	10,000						20,000
Total Disbursements	376,618	782	10,500	79,848		4,794	14,001		2,830	489,373
Cash Balance, December 31, 2020	\$ 219,198	\$ 32,799	\$ 3,702	\$ 10,233	\$ 3,971	\$ 2,688	\$ 4,369	\$ 4,717	\$ 15,000	\$ 296,677

CITY OF YELLVILLE, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - PENSION TRUST FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (UNAUDITED)

Schedule 6

	<u>Firemen's Pension</u>	<u>Layton Cemetery Trust</u>	<u>Total</u>
Cash and Investemnts Balance, January 1, 2020	\$ 600,340	\$ 45,241	\$ 645,581
Receipts:			
State aid	3,383		3,383
Property taxes	13,084		13,084
Interest	37,382	3,040	40,422
Gain on sale of investments	50,715	3,199	53,914
Other	142		142
Transfers in		10,000	10,000
Total Receipts	<u>104,706</u>	<u>16,239</u>	<u>120,945</u>
Disbursements:			
General government		267	267
Public safety	50,123		50,123
Total Disbursements	<u>50,123</u>	<u>267</u>	<u>50,390</u>
Cash and Investments Balance, December 31, 2020	<u>\$ 654,923</u>	<u>\$ 61,213</u>	<u>\$ 716,136</u>

CITY OF YELLVILLE, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(UNAUDITED)

Schedule 7

1. Cash and investments balances on the Financial Schedules include demand and savings accounts and certificates of deposit, as well as investments in bond and equity funds held by an investment manager.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, Metro Vehicle, Fire Department, Animal Control, and Technology
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2021	December 31, 2020
District Court	\$ 3,662	\$ 2,967
Payroll	10,366	8,070

These balances represent fines, forfeitures, and costs and payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2021	December 31, 2020
Land	\$ 84,949	\$ 84,949
Buildings & Improvements	520,496	515,628
Vehicles & Equipment	2,195,667	2,184,982
Totals	<u>\$ 2,801,112</u>	<u>\$ 2,785,559</u>

5. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2020
Leases payable	<u>\$ 6,542</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 119,751</u>