

# **City of Salesville, Arkansas**

## **Financial and Compliance Report**

**December 31, 2022 and 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF SALESVILLE, ARKANSAS  
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# Arkansas

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Senate Vice 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 Salesville, 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 Salesville, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated October 13, 2023. These procedures were not performed for the 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 2022 and 2021:

Mayor: Tim Mayfield  
Recorder/Treasurer: Kendra Spencer

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 **Recorder/Treasurer**.

#### **Recorder/Treasurer**

Internal Revenue Service Form 941 forms were not provided for inspection, as required by Ark. Code Ann. § 14-59-114.

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 13, 2023  
LOM220722

CITY OF SALESVILLE, 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	\$ 128,795	\$ 308,657
Receipts:		
State aid	7,056	58,105
Federal aid		47,651
Property taxes	28,994	7,831
Franchise fees	26,636	
Sales taxes	176,867	
Interest	81	158
Local permits and fees	2,157	
Contributions from Baxter County		5,263
Other	7,314	2,665
Total Receipts	<u>249,105</u>	<u>121,673</u>
Disbursements:		
General government	138,002	
Highways and streets	8,417	56,727
Public safety	14,384	16,592
Sanitation	2,153	
Sewer		26,995
Total Disbursements	<u>162,956</u>	<u>100,314</u>
Cash Balance, December 31, 2022	<u>\$ 214,944</u>	<u>\$ 330,016</u>

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

Schedule 2

	Street	Fire	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 192,207	\$ 68,790	\$ 47,660	\$ 308,657
Receipts:				
State aid	40,837	17,268		58,105
Federal aid			47,651	47,651
Property taxes	7,831			7,831
Interest	93	36	29	158
Contributions from Baxter County		5,263		5,263
Other		2,665		2,665
Total Receipts	<u>48,761</u>	<u>25,232</u>	<u>47,680</u>	<u>121,673</u>
Disbursements:				
Highways and streets	56,727			56,727
Public safety		16,592		16,592
Sewer			26,995	26,995
Total Disbursements	<u>56,727</u>	<u>16,592</u>	<u>26,995</u>	<u>100,314</u>
Cash Balance, December 31, 2022	<u>\$ 184,241</u>	<u>\$ 77,430</u>	<u>\$ 68,345</u>	<u>\$ 330,016</u>

CITY OF SALESVILLE, 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	\$ 52,572	\$ 241,665
Receipts:		
State aid	7,387	53,400
Federal aid		47,652
Property taxes	28,467	7,688
Franchise fees	20,302	
Sales taxes	153,872	5,735
Interest	44	132
Local permits and fees	1,912	
Contributions from Baxter County		5,263
Other	6,896	2,499
Total Receipts	<u>218,880</u>	<u>122,369</u>
Disbursements:		
General government	118,813	
Highways and streets	8,023	32,376
Public safety	13,949	23,001
Sanitation	216	
Sewer	1,656	
Total Disbursements	<u>142,657</u>	<u>55,377</u>
Cash Balance, December 31, 2021	<u>\$ 128,795</u>	<u>\$ 308,657</u>

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

Schedule 4

	Street	Fire	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 173,188	\$ 68,477		\$ 241,665
Receipts:				
State aid	37,555	15,845		53,400
Federal aid			\$ 47,652	47,652
Property taxes	7,688			7,688
Sales taxes	5,735			5,735
Interest	93	31	8	132
Contributions from Baxter County		5,263		5,263
Other	324	2,175		2,499
Total Receipts	<u>51,395</u>	<u>23,314</u>	<u>47,660</u>	<u>122,369</u>
Disbursements:				
Highways and streets	32,376			32,376
Public safety		23,001		23,001
Total Disbursements	<u>32,376</u>	<u>23,001</u>		<u>55,377</u>
Cash Balance, December 31, 2021	<u>\$ 192,207</u>	<u>\$ 68,790</u>	<u>\$ 47,660</u>	<u>\$ 308,657</u>

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

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
General and Court (Fee) Account

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

	December 31, 2022	December 31, 2021
Buildings	\$ 131,832	\$ 131,832
Equipment	329,672	314,277
Totals	<u>\$ 461,504</u>	<u>\$ 446,109</u>

The Municipality's capital assets records did not contain cost amounts for land.

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)	<u>\$ 47,651</u>	<u>\$ 47,652</u>