

Town of Russell, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF RUSSELL, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Financial and Compliance Report

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Arkansas

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Senate Chair
Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Nelda Speaks
House Vice Chair

Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Russell, 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 Town of Russell, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated October 11, 2022. These procedures were not performed for the Water and Sewer Department. Management of the Town 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: Renee Garr
Recorder/Treasurer: Gerry Gibson

We evaluated the Town'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 Town 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 11, 2022
LOM314421

TOWN OF RUSSELL, 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	\$ 198,302	\$ 183,887
Receipts:		
State aid	3,421	17,892
Federal aid		22,479
Property taxes	1,801	633
Franchise fees	6,045	
Sales taxes	37,287	
Interest	2,778	122
Local permits and fees	972	
Contributions from county		112,971
Rent	12,000	
Insurance reimbursement	12,246	
Sale of equipment		8,200
Other	486	2,361
Total Receipts	<u>77,036</u>	<u>164,658</u>
Disbursements:		
General government	69,046	
Highways and streets		13,075
Public safety		198,346
Total Disbursements	<u>69,046</u>	<u>211,421</u>
Cash Balance, December 31, 2021	<u>\$ 206,292</u>	<u>\$ 137,125</u>

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

Schedule 2

	Street	Fire Department	Fire Tax	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 78,992	\$ 5,838	\$ 99,057		\$ 183,887
Receipts:					
State aid	17,162		730		17,892
Federal aid				\$ 22,479	22,479
Property taxes	633				633
Interest	122				122
Contributions from county			112,971		112,971
Sale of equipment			8,200		8,200
Other			2,361		2,361
Total Receipts	<u>17,917</u>		<u>124,262</u>	<u>22,479</u>	<u>164,658</u>
Disbursements:					
Highways and streets	13,075				13,075
Public safety			198,346		198,346
Total Disbursements	<u>13,075</u>		<u>198,346</u>		<u>211,421</u>
Cash Balance, December 31, 2021	<u>\$ 83,834</u>	<u>\$ 5,838</u>	<u>\$ 24,973</u>	<u>\$ 22,479</u>	<u>\$ 137,125</u>

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2020	\$ 184,965	\$ 123,992
Receipts:		
State aid	3,205	24,149
Property taxes	2,315	800
Franchise fees	5,601	
Sales taxes	34,256	
Interest	2,725	127
Local permits and fees	970	
Contributions from county		100,234
Rent	12,000	
Other	1,004	450
Total Receipts	<u>62,076</u>	<u>125,760</u>
Disbursements:		
General government	48,700	
Highways and streets		4,870
Public safety		60,995
Wastewater	39	
Total Disbursements	<u>48,739</u>	<u>65,865</u>
Cash Balance, December 31, 2020	<u>\$ 198,302</u>	<u>\$ 183,887</u>

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

Schedule 4

	<u>Street</u>	<u>Fire Department</u>	<u>Fire Tax</u>	<u>Total</u>
Cash Balance, January 1, 2020	\$ 66,629	\$ 8,227	\$ 49,136	\$ 123,992
Receipts:				
State aid	16,306		7,843	24,149
Property taxes	800			800
Interest	127			127
Contributions from county			100,234	100,234
Other			450	450
Total Receipts	<u>17,233</u>		<u>108,527</u>	<u>125,760</u>
Disbursements:				
Highways and streets	4,870			4,870
Public safety		2,389	58,606	60,995
Total Disbursements	<u>4,870</u>	<u>2,389</u>	<u>58,606</u>	<u>65,865</u>
Cash Balance, December 31, 2020	<u>\$ 78,992</u>	<u>\$ 5,838</u>	<u>\$ 99,057</u>	<u>\$ 183,887</u>

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

Schedule 5

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.

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

	December 31, 2021	December 31, 2020
Land	\$ 39,363	\$ 39,363
Buildings	189,266	121,474
Equipment	306,271	204,023
Totals	<u>\$ 534,900</u>	<u>\$ 364,860</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 22,479</u>