

**Town of Ulm, Arkansas**

**Financial and Compliance Report**

**December 31, 2023 and 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF ULM, ARKANSAS  
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## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Town of Ulm, 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 Ulm, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated December 16, 2024. 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 findings contained in this section relate to the following officials who held office during 2023 and 2022:

Mayor: Dennis Doepel  
Recorder/Treasurer: Maribeth Floyd

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, noncompliance with state law and accepted accounting practices was noted in the offices of **Mayor** and **Recorder/Treasurer**.

#### **Mayor**

An audit or agreed-upon procedures report has not been obtained for the Town of Ulm Waterworks for the years 2022 and 2021, as required by Ark. Code Ann. § 14-234-119.

#### **Recorder/Treasurer**

1. Accounting procedures for municipalities are set forth in Ark. Code Ann. §§ 14-59-101 – 14-59-119. The Town was in noncompliance with these codes as follows:
  - Adequate supporting documentation was not maintained for all disbursements.
  - Monthly bank reconciliations were not prepared.
  - Prenumbered receipts were not issued for all funds received.
  - Cash receipts and disbursements journals were not properly posted and reconciled with bank deposits and withdrawals.
  - Internal Revenue Service (IRS) quarterly reports (Form 941), IRS Form W-3, and Arkansas Department of Finance and Administration Form AR3 for 2023 and 2022 were not made available for inspection.

A similar finding was noted in the previous 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 dark ink, appearing to read "Kevin White" with a stylized flourish at the end.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
December 16, 2024  
LOM316323

TOWN OF ULM, ARKANSAS  
 SCHEDULE OF FINANCIAL INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 1

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2023	\$ 102,960	\$ 200,140
Receipts:		
State aid	2,661	14,762
Property taxes	8,675	2,371
Sales taxes	26,979	
Interest	185	266
Unclassified	28,301	416
Total Receipts	<u>66,801</u>	<u>17,815</u>
Disbursements:		
Recreation and culture		76
Unclassified	57,273	4,522
Total Disbursements	<u>57,273</u>	<u>4,598</u>
Cash Balance, December 31, 2023	<u>\$ 112,488</u>	<u>\$ 213,357</u>

TOWN OF ULM, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Fire</u>	<u>Community Center</u>	<u>American Rescue Plan Act (ARPA)</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 171,055	\$ 12,176	\$ 811	\$ 16,098	\$ 200,140
Receipts:					
State aid	14,762				14,762
Property taxes	2,371				2,371
Interest	266				266
Unclassified		416			416
Total Receipts	<u>17,399</u>	<u>416</u>			<u>17,815</u>
Disbursements:					
Recreation and culture			76		76
Unclassified	4,177	345			4,522
Total Disbursements	<u>4,177</u>	<u>345</u>	<u>76</u>		<u>4,598</u>
Cash Balance, December 31, 2023	<u>\$ 184,277</u>	<u>\$ 12,247</u>	<u>\$ 735</u>	<u>\$ 16,098</u>	<u>\$ 213,357</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2022	\$ 87,121	\$ 168,484
Receipts:		
State aid	2,611	15,109
Federal aid		16,056
Property taxes	7,206	2,109
Sales taxes	25,905	
Interest	75	126
Unclassified	21,308	819
Total Receipts	<u>57,105</u>	<u>34,219</u>
Disbursements:		
Recreation and culture		1,241
Unclassified	41,266	1,322
Total Disbursements	<u>41,266</u>	<u>2,563</u>
Cash Balance, December 31, 2022	<u>\$ 102,960</u>	<u>\$ 200,140</u>

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

Schedule 4

	<u>Street</u>	<u>Fire</u>	<u>Community Center</u>	<u>American Rescue Plan Act (ARPA)</u>	<u>Total</u>
Cash Balance, January 1, 2022	\$ 154,344	\$ 12,046	\$ 2,052	\$ 42	\$ 168,484
Receipts:					
State aid	15,109				15,109
Federal aid				16,056	16,056
Property taxes	2,109				2,109
Interest	126				126
Unclassified		819			819
Total Receipts	<u>17,344</u>	<u>819</u>		<u>16,056</u>	<u>34,219</u>
Disbursements:					
Recreation and culture			1,241		1,241
Unclassified	633	689			1,322
Total Disbursements	<u>633</u>	<u>689</u>	<u>1,241</u>		<u>2,563</u>
Cash Balance, December 31, 2022	<u>\$ 171,055</u>	<u>\$ 12,176</u>	<u>\$ 811</u>	<u>\$ 16,098</u>	<u>\$ 200,140</u>



TOWN OF ULM, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022  
 (UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts.

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

	December 31, 2023	December 31, 2022
Land	\$ 14,257	\$ 14,257
Buildings	42,153	42,153
Equipment	88,328	88,328
Totals	\$ 144,738	\$ 144,738

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 16,056