

Town of Etowah, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF ETOWAH, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

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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

Town of Etowah, 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 Etowah, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated March 29, 2023. These procedures were not performed for the Sewer Fund and Water and Waste Disposal System. 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:

Mayor: Charles McCollum
Recorder/Treasurer: Kattie Riney
Police Chief: Joseph Riney

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
March 29, 2023
LOM319321

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

Schedule 1

	General Fund	Special Revenue Funds	Capital Projects Fund (USDA Excavator)
Cash Balance, January 1, 2021	\$ 27,995	\$ 110,347	\$ 10
Receipts:			
State aid	5,429	39,969	
Federal aid		35,388	4,454
Property taxes	10,049	2,513	
Franchise fees	9,532		
Sales taxes	67,465		
Interest	13	158	
Local permits and fees	168		
Plot and grave fees		11,475	
Donations	1,500	15,057	
Coke box receipts		3,441	
Insurance proceeds		24,301	
Other	835	207	
Total Receipts	<u>94,991</u>	<u>132,509</u>	<u>4,454</u>
Disbursements:			
General government	65,676		
Law enforcement	30,024	3,033	
Highways and streets		30,261	1,661
Public safety		40,001	
Cemetery		17,098	2,803
Wastewater		21,627	
Debt service	3,693	1,817	
Total Disbursements	<u>99,393</u>	<u>113,837</u>	<u>4,464</u>
Cash Balance, December 31, 2021	<u>\$ 23,593</u>	<u>\$ 129,019</u>	<u>\$ 0</u>

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

Schedule 2

	Street	Garden Point Cemetery	Police Department	Fire Department	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 16,278	\$ 86,813	\$ 1,065	\$ 6,191		\$ 110,347
Receipts:						
State aid	26,985			12,984		39,969
Federal aid			2,550		\$ 32,838	35,388
Property taxes	2,513					2,513
Interest	9	138	1	7	3	158
Plot and grave fees		11,475				11,475
Donations		7,980		7,077		15,057
Coke box receipts				3,441		3,441
Insurance proceeds				24,301		24,301
Other	1		6	200		207
Total Receipts	29,508	19,593	2,557	48,010	32,841	132,509
Disbursements:						
Law enforcement			3,033			3,033
Highways and streets	30,261					30,261
Public safety				40,001		40,001
Cemetery		17,098				17,098
Wastewater					21,627	21,627
Debt service	1,235	582				1,817
Total Disbursements	31,496	17,680	3,033	40,001	21,627	113,837
Cash Balance, December 31, 2021	\$ 14,290	\$ 88,726	\$ 589	\$ 14,200	\$ 11,214	\$ 129,019

TOWN OF ETOWAH, 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 and certificates of deposit.

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

	December 31, 2021
Land	\$ 127,000
Buildings	156,000
Equipment	<u>606,908</u>
Total	<u>\$ 889,908</u>

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

	December 31, 2021
Leases payable	\$ 6,031
Notes payable	<u>5,774</u>
Total	<u>\$ 11,805</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 32,838</u>