

Town of Tillar, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



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

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Arkansas

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Senate Vice Chair



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House Chair
Rep. Richard Womack
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 Tillar, 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 Tillar, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated March 14, 2023. These procedures were not performed for the Water and Sewer Departments. 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 relates to the following officials who held office during 2021 and 2020:

Mayor: Allen Evans
Recorder/Treasurer: Karen Robertson

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. Noncompliance with state law and accepted accounting practices was noted in the office of **Recorder/Treasurer**.

Recorder/Treasurer

The Town's demand accounts were under collateralized by \$80,143 (32% of total deposits) at December 31, 2021 in noncompliance with A.C.A. § 19-8-107.

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 black ink that reads "Roger A. Norman".

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

Little Rock, Arkansas
March 14, 2023
LOM320921

TOWN OF TILLAR, 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	\$ 48,057	\$ 105,191
Receipts:		
State aid	3,507	35,999
Federal aid		21,961
Property taxes	3,026	1,202
Franchise fees	8,331	
Sales taxes	38,395	
Line of credit proceeds	34,866	
Total Receipts	<u>88,125</u>	<u>59,162</u>
Disbursements:		
General government	36,895	
Highways and streets		11,305
Public safety	38,197	4,643
Total Disbursements	<u>75,092</u>	<u>15,948</u>
Cash Balance, December 31, 2021	<u>\$ 61,090</u>	<u>\$ 148,405</u>

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

Schedule 2

	Street	Fire Equipment and Training ACT 833	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 91,099	\$ 14,092		\$ 105,191
Receipts:				
State aid	17,482	18,517		35,999
Federal aid			\$ 21,961	21,961
Property taxes	1,202			1,202
Total Receipts	<u>18,684</u>	<u>18,517</u>	<u>21,961</u>	<u>59,162</u>
Disbursements:				
Highways and streets	11,305			11,305
Public safety		4,643		4,643
Total Disbursements	<u>11,305</u>	<u>4,643</u>		<u>15,948</u>
Cash Balance, December 31, 2021	<u>\$ 98,478</u>	<u>\$ 27,966</u>	<u>\$ 21,961</u>	<u>\$ 148,405</u>

TOWN OF TILLAR, 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	\$ 36,653	\$ 89,523
Receipts:		
State aid	3,338	34,584
Property taxes	3,904	1,773
Franchise fees	8,275	
Sales taxes	37,552	
Other		9,786
Total Receipts	<u>53,069</u>	<u>46,143</u>
Disbursements:		
General government	38,499	
Highways and streets		7,833
Public safety	3,166	6,911
Debt service		15,731
Total Disbursements	<u>41,665</u>	<u>30,475</u>
Cash Balance, December 31, 2020	<u>\$ 48,057</u>	<u>\$ 105,191</u>

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

Schedule 4

	Street	Fire Equipment and Training ACT 833	Total
Cash Balance, January 1, 2020	\$ 70,388	\$ 19,135	\$ 89,523
Receipts:			
State aid	16,985	17,599	34,584
Property taxes	1,773		1,773
Other	9,786		9,786
Total Receipts	<u>28,544</u>	<u>17,599</u>	<u>46,143</u>
Disbursements:			
Highways and streets	7,833		7,833
Public safety		6,911	6,911
Debt service		15,731	15,731
Total Disbursements	<u>7,833</u>	<u>22,642</u>	<u>30,475</u>
Cash Balance, December 31, 2020	<u>\$ 91,099</u>	<u>\$ 14,092</u>	<u>\$ 105,191</u>

TOWN OF TILLAR, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(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, 2021	December 31, 2020
	<u>2021</u>	<u>2020</u>
Land	\$ 24,671	\$ 24,671
Buildings	107,667	107,667
Equipment	<u>291,669</u>	<u>257,169</u>
Totals	<u>\$ 424,007</u>	<u>\$ 389,507</u>

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

	December 31, 2021
	<u>2021</u>
Notes payable	<u>\$ 34,866</u>

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

	December 31, 2021
	<u>2021</u>
American Rescue Plan Act (ARPA)	<u>\$ 21,961</u>