

**City of Salesville, Arkansas**

**Financial and Compliance Report**

**December 31, 2020, 2019, and 2018**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF SALESVILLE, ARKANSAS  
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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

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, 2020, 2019, and 2018, and have issued our report thereon dated August 5, 2021. 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 findings contained in this section relate to the following officials who held office during 2020, 2019, and 2018:

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 **Mayor**.

#### **Mayor**

An agreed-upon procedures and compilation report for the City's Sewer System was not performed and submitted to Arkansas Legislative Audit, as required by Ark. Code Ann. §§ 14-234-119, -120. A similar finding was issued in the prior report.

The governing body did not review the prior report and the accompanying comments at the first regularly scheduled meeting following receipt of the report, as required by Ark. Code Ann. § 10-4-418.

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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas  
August 5, 2021  
LOM220720

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2020	\$ 35,220	\$ 213,430
Receipts:		
State aid	6,676	49,016
Property taxes	27,168	7,337
Franchise fees	16,401	
Sales taxes	132,908	9,038
Interest	45	298
Local permits and fees	1,713	
Contribution from County		5,263
Other	680	
Total Receipts	185,591	70,952
Disbursements:		
General government	159,233	
Highways and streets		18,422
Public safety	9,006	24,295
Total Disbursements	168,239	42,717
Cash Balance, December 31, 2020	\$ 52,572	\$ 241,665

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

Schedule 2

	<u>Street</u>	<u>Fire</u>	<u>Total</u>
Cash Balance, January 1, 2020	\$ 141,043	\$ 72,387	\$ 213,430
Receipts:			
State aid	33,971	15,045	49,016
Property taxes	7,337		7,337
Sales taxes	9,038		9,038
Interest	221	77	298
Contribution from County		5,263	5,263
Total Receipts	<u>50,567</u>	<u>20,385</u>	<u>70,952</u>
Disbursements:			
Highways and streets	18,422		18,422
Public safety		24,295	24,295
Total Disbursements	<u>18,422</u>	<u>24,295</u>	<u>42,717</u>
Cash Balance, December 31, 2020	<u>\$ 173,188</u>	<u>\$ 68,477</u>	<u>\$ 241,665</u>

CITY OF SALESVILLE, ARKANSAS  
 SCHEDULE OF FINANCIAL INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 (UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
	<u>                    </u>	<u>                    </u>
Cash Balance, January 1, 2019	\$ 31,321	\$ 174,387
Receipts:		
State aid	7,114	46,874
Property taxes	26,168	6,914
Franchise fees	17,279	
Sales taxes	121,497	4,150
Interest	22	141
Local permits and fees	1,459	
Contribution from County		5,263
Other	3,001	160
Total Receipts	<u>176,540</u>	<u>63,502</u>
Disbursements:		
General government	163,340	
Highways and streets		20,129
Public safety	9,301	4,330
Total Disbursements	<u>172,641</u>	<u>24,459</u>
Cash Balance, December 31, 2019	<u>\$ 35,220</u>	<u>\$ 213,430</u>

CITY OF SALESVILLE, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2019  
 (UNAUDITED)

Schedule 4

	<u>Street</u>	<u>Fire</u>	<u>Total</u>
Cash Balance, January 1, 2019	<u>\$ 117,675</u>	<u>\$ 56,712</u>	<u>\$ 174,387</u>
Receipts:			
State aid	32,265	14,609	46,874
Property taxes	6,914		6,914
Sales taxes	4,150		4,150
Interest	98	43	141
Contribution from County		5,263	5,263
Other	70	90	160
Total Receipts	<u>43,497</u>	<u>20,005</u>	<u>63,502</u>
Disbursements:			
Highways and streets	20,129		20,129
Public safety		4,330	4,330
Total Disbursements	<u>20,129</u>	<u>4,330</u>	<u>24,459</u>
Cash Balance, December 31, 2019	<u>\$ 141,043</u>	<u>\$ 72,387</u>	<u>\$ 213,430</u>

CITY OF SALESVILLE, ARKANSAS  
 SCHEDULE OF FINANCIAL INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 5

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2018	\$ 17,116	\$ 139,284
Receipts:		
State aid	7,128	45,366
Property taxes	26,008	7,026
Franchise fees	18,701	
Sales taxes	114,692	9,773
Interest	11	80
Local permits and fees	1,099	
Contribution from County		5,263
Other	1,479	25,199
Total Receipts	<u>169,118</u>	<u>92,707</u>
Disbursements:		
General government	143,897	
Highways and streets	1,214	39,951
Public safety	9,802	17,653
Total Disbursements	<u>154,913</u>	<u>57,604</u>
Cash Balance, December 31, 2018	<u>\$ 31,321</u>	<u>\$ 174,387</u>



CITY OF SALESVILLE, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2018  
 (UNAUDITED)

Schedule 6

	<u>Street</u>	<u>Fire</u>	<u>Total</u>
Cash Balance, January 1, 2018	<u>\$ 90,777</u>	<u>\$ 48,507</u>	<u>\$ 139,284</u>
Receipts:			
State aid	31,518	13,848	45,366
Property taxes	7,026		7,026
Sales taxes	9,773		9,773
Interest	53	27	80
Contribution from County		5,263	5,263
Other	18,479	6,720	25,199
Total Receipts	<u>66,849</u>	<u>25,858</u>	<u>92,707</u>
Disbursements:			
Highways and streets	39,951		39,951
Public safety		17,653	17,653
Total Disbursements	<u>39,951</u>	<u>17,653</u>	<u>57,604</u>
Cash Balance, December 31, 2018	<u>\$ 117,675</u>	<u>\$ 56,712</u>	<u>\$ 174,387</u>

CITY OF SALESVILLE, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEARS ENDED DECEMBER 31, 2020, 2019, AND 2018  
 (UNAUDITED)

Schedule 7

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, 2020	December 31, 2019	December 31, 2018
Buildings	\$ 131,832	\$ 131,832	\$ 131,832
Equipment	313,682	307,682	327,682
 Total	 \$ 445,514	 \$ 439,514	 \$ 459,514

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