

City of Altus, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF ALTUS, 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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Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Altus, 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 Altus, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated August 11, 2022. These procedures were not performed for the Water and Sewer Department. Management of the City 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: Veronica Post
Recorder/Treasurer: Vacant
District Court Clerk: Hillary Archer (Resigned March 31, 2020)
Scenda Frederick (Appointed April 3, 2020, Resigned October 30, 2020)
Tiffany Bynum (Appointed November 1, 2020, Resigned November 22, 2020)
Vacant (November 23, 2020 to December 31, 2020)
Roseann Hula (Appointed January 1, 2021)
Police Chief: Vacant

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.

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 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 11, 2022
LOM200321

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

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2021	\$ 256,923	\$ 445,768
Receipts:		
State aid	12,061	65,245
Federal aid	4,100	75,518
Property taxes	26,823	9,876
Franchise fees	23,989	
Sales taxes	82,744	93,630
Fines, forfeitures, and costs	23,599	1,478
Interest		515
Local permits and fees	2,718	
Fire contributions		3,382
Police contributions		5,181
Police agreements	36,000	
Water contributions	25,000	5,000
Other	8,108	3,917
Transfers in	10,550	4,800
Total Receipts	<u>255,692</u>	<u>268,542</u>
Disbursements:		
General government	106,923	
Law enforcement	55,595	6,531
Highways and streets		98,204
Public safety		18,807
Recreation and culture	9,021	3,897
Transfers out	4,800	10,550
Total Disbursements	<u>176,339</u>	<u>137,989</u>
Cash Balance, December 31, 2021	<u>\$ 336,276</u>	<u>\$ 576,321</u>

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

Schedule 2

	Street	Volunteer Fire	Court Automation	Local Police and Fire Retirement (LOPFI)	Parks and Recreation	Park Improvement
Cash Balance, January 1, 2021	\$ 264,051	\$ 74,802	\$ 4,230		\$ 7,198	\$ 67,153
Receipts:						
State aid	60,614	4,631				
Federal aid						
Property taxes	8,052	1,824				
Sales taxes	46,815	46,815				
Fines, forfeitures, and costs			1,478			
Interest	278	90				136
Fire contributions				\$ 3,382		
Police contributions				5,181		
Water contributions	5,000					
Other	980	2,812			125	
Transfers in					4,800	
Total Receipts	<u>121,739</u>	<u>56,172</u>	<u>1,478</u>	<u>8,563</u>	<u>4,925</u>	<u>136</u>
Disbursements:						
Law enforcement			1,350	5,181		
Highways and streets	94,822			3,382		
Public safety		18,807				
Recreation and culture					3,897	
Transfers out	10,000	550				
Total Disbursements	<u>104,822</u>	<u>19,357</u>	<u>1,350</u>	<u>8,563</u>	<u>3,897</u>	
Cash Balance, December 31, 2021	<u>\$ 280,968</u>	<u>\$ 111,617</u>	<u>\$ 4,358</u>	<u>\$ 0</u>	<u>\$ 8,226</u>	<u>\$ 67,289</u>

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

Schedule 2

	Veteran's Memorial	American Rescue Plan Act (ARPA)	Fire Truck/Building	Police Car Savings	Total
Cash Balance, January 1, 2021	\$ 1,550		\$ 26,682	\$ 102	\$ 445,768
Receipts:					
State aid					65,245
Federal aid		\$ 75,518			75,518
Property taxes					9,876
Sales taxes					93,630
Fines, forfeitures, and costs					1,478
Interest	1		10		515
Fire contributions					3,382
Police contributions					5,181
Water contributions					5,000
Other					3,917
Transfers in					4,800
Total Receipts	1	75,518	10		268,542
Disbursements:					
Law enforcement					6,531
Highways and streets					98,204
Public safety					18,807
Recreation and culture					3,897
Transfers out					10,550
Total Disbursements					137,989
Cash Balance, December 31, 2021	\$ 1,551	\$ 75,518	\$ 26,692	\$ 102	\$ 576,321

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

Schedule 5

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2020	\$ 97,349	\$ 408,112
Receipts:		
State aid	12,070	61,619
Federal aid	30,030	
Property taxes	38,986	9,733
Franchise fees	24,294	
Sales taxes	114,996	91,982
Fines, forfeitures, and costs	38,744	944
Interest		523
Local permits and fees	2,658	
Fire contributions		2,952
Police contributions		8,247
Police agreements	25,500	
Water contributions	25,000	5,000
Other	6,949	1,625
Transfers in	23,066	4,800
Total Receipts	<u>342,293</u>	<u>187,425</u>
Disbursements:		
General government	100,429	
Law enforcement	70,180	8,976
Highways and streets		89,849
Public safety	1,013	26,871
Recreation and culture	6,297	1,007
Transfers out	4,800	23,066
Total Disbursements	<u>182,719</u>	<u>149,769</u>
Cash Balance, December 31, 2020	<u>\$ 256,923</u>	<u>\$ 445,768</u>

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

Schedule 5

	Street	Volunteer Fire	Criminal Justice	Court Automation	Local Police and Fire Retirement (LOPFI)	Parks and Recreation
Cash Balance, January 1, 2020	\$ 247,412	\$ 47,080	\$ 12,516	\$ 3,286	\$ 729	\$ 1,805
Receipts:						
State aid	57,222	4,397				
Property taxes	8,016	1,717				
Sales taxes	45,991	45,991				
Fines, forfeitures, and costs				944		
Interest	259	61				
Fire contributions					2,952	
Police contributions					8,247	
Water contributions	5,000					
Other		25				1,600
Transfers in						4,800
Total Receipts	<u>116,488</u>	<u>52,191</u>		<u>944</u>	<u>11,199</u>	<u>6,400</u>
Disbursements:						
Law enforcement					8,976	
Highways and streets	89,849					
Public safety		23,919			2,952	
Recreation and culture						1,007
Transfers out	10,000	550	12,516			
Total Disbursements	<u>99,849</u>	<u>24,469</u>	<u>12,516</u>		<u>11,928</u>	<u>1,007</u>
Cash Balance, December 31, 2020	<u>\$ 264,051</u>	<u>\$ 74,802</u>	<u>\$ 0</u>	<u>\$ 4,230</u>	<u>\$ 0</u>	<u>\$ 7,198</u>

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

Schedule 5

	<u>Park Improvement</u>	<u>Veteran's Memorial</u>	<u>Fire Truck/Building</u>	<u>Police Car Savings</u>	<u>Total</u>
Cash Balance, January 1, 2020	\$ 66,980	\$ 1,548	\$ 26,654	\$ 102	\$ 408,112
Receipts:					
State aid					61,619
Property taxes					9,733
Sales taxes					91,982
Fines, forfeitures, and costs					944
Interest	173	2	28		523
Fire contributions					2,952
Police contributions					8,247
Water contributions					5,000
Other					1,625
Transfers in					4,800
Total Receipts	<u>173</u>	<u>2</u>	<u>28</u>		<u>187,425</u>
Disbursements:					
Law enforcement					8,976
Highways and streets					89,849
Public safety					26,871
Recreation and culture					1,007
Transfers out					23,066
Total Disbursements					<u>149,769</u>
Cash Balance, December 31, 2020	<u>\$ 67,153</u>	<u>\$ 1,550</u>	<u>\$ 26,682</u>	<u>\$ 102</u>	<u>\$ 445,768</u>

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

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

2. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2021	December 31, 2020
District Court Fund	\$ 11,157	\$ 7,265

These balances represent fines, forfeitures, and costs that have not been transferred to the appropriate entities.

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

	December 31, 2021	December 31, 2020
Land	\$ 89,693	\$ 89,693
Buildings	360,518	360,518
Improvements	421,076	421,076
Equipment	445,881	443,153
Totals	\$ 1,317,168	\$ 1,314,440

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

	December 31, 2021	December 31, 2020
Coronavirus Aid, Relief and Economic Security Act (CARES)		\$ 30,030
American Rescue Plan Act (ARPA)	\$ 75,518	
	\$ 75,518	\$ 30,030