

City of McNeil, Arkansas

Financial and Compliance Report

December 31, 2021, 2020, and 2019

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF MCNEIL, ARKANSAS
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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

City of McNeil, 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 McNeil, Arkansas, as of and for the years ended December 31, 2021, 2020, and 2019, and have issued our report thereon dated August 9, 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 findings contained in this section relate to the following officials who held office during 2021, 2020, and 2019:

Mayor: Teresa Triplet
Recorder/Treasurer: Nancy Cook

We evaluated the City's compliance with certain state laws concerning general 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 9, 2022
LOM212621

CITY OF MCNEIL, 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	\$ 39,533	\$ 90,207
Receipts:		
State aid	8,003	52,895
Federal aid		48,688
Property taxes	10,428	3,919
Franchise fees	15,411	
Sales taxes	14,008	
Interest	363	297
Fire department tax		4,648
Rental income	13,075	
Donations	1,630	10,000
Sale of land	16,700	
Other	2,482	10,965
Total Receipts	<u>82,100</u>	<u>131,412</u>
Disbursements:		
General government	46,067	
Law enforcement	10,417	
Highways and streets		46,367
Public safety		25,804
Water and sewer		7,399
Debt service	4,662	
Total Disbursements	<u>61,146</u>	<u>79,570</u>
Cash Balance, December 31, 2021	<u>\$ 60,487</u>	<u>\$ 142,049</u>

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

Schedule 2

	Street	Fire Department	Volunteer Fire Department (ACT 833)	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2021	\$ 55,194	\$ 12,424	\$ 22,589		\$ 90,207
Receipts:					
State aid	39,823		13,072		52,895
Federal aid				\$ 48,688	48,688
Property taxes	3,919				3,919
Interest	297				297
Fire department tax		4,648			4,648
Donations	10,000				10,000
Other	1,050		9,915		10,965
Total Receipts	<u>55,089</u>	<u>4,648</u>	<u>22,987</u>	<u>48,688</u>	<u>131,412</u>
Disbursements:					
Highways and streets	46,367				46,367
Public safety		3,680	22,124		25,804
Water and sewer				7,399	7,399
Total Disbursements	<u>46,367</u>	<u>3,680</u>	<u>22,124</u>	<u>7,399</u>	<u>79,570</u>
Cash Balance, December 31, 2021	<u>\$ 63,916</u>	<u>\$ 13,392</u>	<u>\$ 23,452</u>	<u>\$ 41,289</u>	<u>\$ 142,049</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2020	\$ 34,821	\$ 96,053
Receipts:		
State aid	7,656	52,164
Federal aid	866	
Property taxes	12,991	4,880
Franchise fees	15,056	
Sales taxes	13,291	
Interest	559	465
Fire department tax		4,630
Rental income	12,019	
Other	2,268	1,050
Total Receipts	<u>64,706</u>	<u>63,189</u>
Disbursements:		
General government	44,920	
Law enforcement	10,412	
Highways and streets		63,122
Public safety		5,913
Debt service	4,662	
Total Disbursements	<u>59,994</u>	<u>69,035</u>
Cash Balance, December 31, 2020	<u>\$ 39,533</u>	<u>\$ 90,207</u>

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

Schedule 4

	<u>Street</u>	<u>Fire Department</u>	<u>Volunteer Fire Department (ACT 833)</u>	<u>Total</u>
Cash Balance, January 1, 2020	\$ 72,968	\$ 10,187	\$ 12,898	\$ 96,053
Receipts:				
State aid	38,953		13,211	52,164
Property taxes	4,880			4,880
Interest	465			465
Fire department tax		4,630		4,630
Other	1,050			1,050
Total Receipts	<u>45,348</u>	<u>4,630</u>	<u>13,211</u>	<u>63,189</u>
Disbursements:				
Highways and streets	63,122			63,122
Public safety		2,393	3,520	5,913
Total Disbursements	<u>63,122</u>	<u>2,393</u>	<u>3,520</u>	<u>69,035</u>
Cash Balance, December 31, 2020	<u>\$ 55,194</u>	<u>\$ 12,424</u>	<u>\$ 22,589</u>	<u>\$ 90,207</u>

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

Schedule 5

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2019	\$ 42,942	\$ 104,541
Receipts:		
State aid	8,158	49,014
Property taxes	10,386	3,922
Franchise fees	14,116	
Sales taxes	13,090	
Interest	726	454
Fire department tax		4,598
Rental income	13,981	
Donations	1,228	300
Other	930	3,592
Total Receipts	<u>62,615</u>	<u>61,880</u>
Disbursements:		
General government	55,783	
Law enforcement	10,679	
Highways and streets		45,826
Public safety		24,542
Debt service	4,274	
Total Disbursements	<u>70,736</u>	<u>70,368</u>
Cash Balance, December 31, 2019	<u>\$ 34,821</u>	<u>\$ 96,053</u>

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

Schedule 6

	Street	Fire Department	Volunteer Fire Department (ACT 833)	Total
Cash Balance, January 1, 2019	\$ 76,371	\$ 7,916	\$ 20,254	\$ 104,541
Receipts:				
State aid	36,997		12,017	49,014
Property taxes	3,922			3,922
Interest	454			454
Fire department tax		4,598		4,598
Donations		300		300
Other	1,050		2,542	3,592
Total Receipts	<u>42,423</u>	<u>4,898</u>	<u>14,559</u>	<u>61,880</u>
Disbursements:				
Highways and streets	45,826			45,826
Public safety		2,627	21,915	24,542
Total Disbursements	<u>45,826</u>	<u>2,627</u>	<u>21,915</u>	<u>70,368</u>
Cash Balance, December 31, 2019	<u>\$ 72,968</u>	<u>\$ 10,187</u>	<u>\$ 12,898</u>	<u>\$ 96,053</u>

CITY OF MCNEIL, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019
(UNAUDITED)

Schedule 7

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
2. The Municipality's capital asset records are summarized below:

	December 31, 2021	December 31, 2020	December 31, 2019
Buildings and Improvements	\$ 410,168	\$ 410,168	\$ 392,068
Equipment	285,394	285,394	285,394
Total	\$ 695,562	\$ 695,562	\$ 677,462

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

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

	December 31, 2021	December 31, 2020	December 31, 2019
Notes payable	\$ 9,090	\$ 13,054	\$ 16,778

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)		\$ 866
American Rescue Plan Act (ARPA)	\$ 48,688	
	\$ 48,688	\$ 866