

City of Waldo, Arkansas

Financial and Compliance Report

December 31, 2022, 2021, and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF WALDO, ARKANSAS
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Arkansas

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Sen. John Payton
Senate Vice Chair



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House 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 Waldo, 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 Waldo, Arkansas, as of and for the years ended December 31, 2022, 2021, and 2020, and have issued our report thereon dated February 7, 2024. These procedures were not performed for the Water and 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 2022, 2021, and 2020:

Mayor: Kenneth Haupt (resigned November 13, 2020)
Beverly Rowden (appointed January 1, 2021)
Recorder: Darla Longino (resigned December 31, 2020)
Beverly Rowden (January 1, 2021 – June 14, 2021)
Wyteshia Howell (appointed June 14, 2021)
Treasurer: Dianne Rider (resigned May 24, 2021)
Jennifer Burton (appointed June 14, 2021)
City Clerk: Antonina Land
Police Chief: Reggie Ellis (resigned May 14, 2021)
Glen Maxwell (Hired June 4, 2021 - resigned September 13, 2021)
John Witcher (appointed September 13, 2021)
Fire Chief: Kenneth Young

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

A handwritten signature in cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
February 7, 2024
LOM218922

CITY OF WALDO, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds	Capital Projects Funds
Cash Balance, January 1, 2022	\$ 219,604	\$ 312,591	\$ 74,804
Receipts:			
State aid	22,553	114,515	
Federal aid		131,041	
Property taxes	34,882	22,482	
Franchise fees	62,920		
Sales taxes	39,810		
Fines, forfeitures, and costs	30,953	243	
Interest	545		82
Local permits and fees	2,410	40	
Retirement contribution		1,058	
Water surcharge	11,694	12,686	13,042
Contributions from water	11,391		
Other	4,475	2,139	
Transfers in		3,850	
Total Receipts	<u>221,633</u>	<u>288,054</u>	<u>13,124</u>
Disbursements:			
General government	91,020	24,291	
Law enforcement	75,889	32,638	
Highways and streets		112,194	
Public safety	9,505	33,354	
Recreation and culture	2,732		
Contribution to water		108,055	
Transfers out	3,850		
Total Disbursements	<u>182,996</u>	<u>310,532</u>	
Cash Balance, December 31, 2022	<u>\$ 258,241</u>	<u>\$ 290,113</u>	<u>\$ 87,928</u>

CITY OF WALDO, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 2

	Street	LOPFI	Fire Equipment and Training Act 833	Firemen's Fund	Fire District	Court Automation	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 137,626	\$ 15,907	\$ 9,658	\$ 1,996	\$ 14,095	\$ 2,266	\$ 131,043	\$ 312,591
Receipts:								
State aid	99,373		15,142					114,515
Federal aid							131,041	131,041
Property taxes	10,482				12,000			22,482
Fines, forfeitures, and costs						243		243
Local permits and fees				40				40
Retirement contribution		1,058						1,058
Water surcharge				12,686				12,686
Other	105			19	2,015			2,139
Transfers in			3,850					3,850
Total Receipts	109,960	1,058	18,992	12,745	14,015	243	131,041	288,054
Disbursements:								
General government							24,291	24,291
Law enforcement		8,332				3	24,303	32,638
Highways and streets	111,584						610	112,194
Public safety			12,375	12,217	8,762			33,354
Contribution to water							108,055	108,055
Total Disbursements	111,584	8,332	12,375	12,217	8,762	3	157,259	310,532
Cash Balance, December 31, 2022	\$ 136,002	\$ 8,633	\$ 16,275	\$ 2,524	\$ 19,348	\$ 2,506	\$ 104,825	\$ 290,113

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

Schedule 3

	General Fund	Special Revenue Funds	Capital Projects Fund
Cash Balance, January 1, 2021	\$ 256,774	\$ 196,411	\$ 61,835
Receipts:			
State aid	25,528	118,733	
Federal aid		131,043	
Property taxes	37,100	22,142	
Franchise fees	58,889		
Sales taxes	38,368		
Fines, forfeitures, and costs	26,197	83	
Interest	665		76
Local permits and fees	2,210	150	
Retirement contribution		1,286	
Water surcharge	11,782	12,527	12,893
Donations		9,831	
Other	450	1,488	
Total Receipts	<u>201,189</u>	<u>297,283</u>	<u>12,969</u>
Disbursements:			
General government	98,278		
Law enforcement	131,006	12,226	
Highways and streets		129,024	
Public safety	8,300	39,853	
Recreation and culture	237		
Wastewater	538		
Total Disbursements	<u>238,359</u>	<u>181,103</u>	
Cash Balance, December 31, 2021	<u>\$ 219,604</u>	<u>\$ 312,591</u>	<u>\$ 74,804</u>

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

Schedule 4

	Street	LOPFI	Fire Equipment and Training Act 833	Firemen's	Fire District	Court Automation	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 145,665	\$ 26,847	\$ 5,941	\$ 2,171	\$ 13,604	\$ 2,183		\$ 196,411
Receipts:								
State aid	108,655		10,078					118,733
Federal aid							\$ 131,043	131,043
Property taxes	11,142				11,000			22,142
Fines, forfeitures, and costs						83		83
Local permits and fees				150				150
Retirement contribution		1,286						1,286
Water surcharge				12,527				12,527
Donations					9,831			9,831
Other	1,188			240	60			1,488
Total Receipts	<u>120,985</u>	<u>1,286</u>	<u>10,078</u>	<u>12,917</u>	<u>20,891</u>	<u>83</u>	<u>131,043</u>	<u>297,283</u>
Disbursements:								
Law enforcement		12,226						12,226
Highways and streets	129,024							129,024
Public safety			6,361	13,092	20,400			39,853
Total Disbursements	<u>129,024</u>	<u>12,226</u>	<u>6,361</u>	<u>13,092</u>	<u>20,400</u>			<u>181,103</u>
Cash Balance, December 31, 2021	<u>\$ 137,626</u>	<u>\$ 15,907</u>	<u>\$ 9,658</u>	<u>\$ 1,996</u>	<u>\$ 14,095</u>	<u>\$ 2,266</u>	<u>\$ 131,043</u>	<u>\$ 312,591</u>

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

Schedule 5

	General Fund	Special Revenue Funds	Capital Projects Fund
Cash Balance, January 1, 2020	\$ 242,584	\$ 204,589	\$ 59,715
Receipts:			
State aid	20,356	117,640	
Federal aid	37,310		
Property taxes	35,920	17,992	
Franchise fees	56,691		
Sales taxes	35,339		
Fines, forfeitures, and costs	20,519	450	
Interest	2,960	369	130
Local permits and fees	1,882	50	
Retirement contribution		992	
Water surcharge	11,317	11,994	12,340
Donations		1,285	
Other	431	1,530	4,300
Total Receipts	<u>222,725</u>	<u>152,302</u>	<u>16,770</u>
Disbursements:			
General government	89,892		
Law enforcement	103,694	9,730	
Highways and streets		114,379	
Public safety	10,199	36,371	14,650
Recreation and culture	4,750		
Total Disbursements	<u>208,535</u>	<u>160,480</u>	<u>14,650</u>
Cash Balance, December 31, 2020	<u>\$ 256,774</u>	<u>\$ 196,411</u>	<u>\$ 61,835</u>

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

Schedule 6

	Street	LOPFI	Fire Equipment and Training Act 833	Firemen's	Fire District	Court Automation	Total
Cash Balance, January 1, 2020	\$ 144,699	\$ 35,216	\$ 7,845	\$ 3,584	\$ 11,512	\$ 1,733	\$ 204,589
Receipts:							
State aid	103,573		14,067				117,640
Property taxes	10,792				7,200		17,992
Fines, forfeitures, and costs						450	450
Interest		369					369
Local permits and fees				50			50
Retirement contribution		992					992
Water surcharge				11,994			11,994
Donations					1,285		1,285
Other	980				550		1,530
Total Receipts	115,345	1,361	14,067	12,044	9,035	450	152,302
Disbursements:							
Law enforcement		9,730					9,730
Highways and streets	114,379						114,379
Public safety			15,971	13,457	6,943		36,371
Total Disbursements	114,379	9,730	15,971	13,457	6,943		160,480
Cash Balance, December 31, 2020	\$ 145,665	\$ 26,847	\$ 5,941	\$ 2,171	\$ 13,604	\$ 2,183	\$ 196,411

CITY OF WALDO, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021, AND 2020
(UNAUDITED)

Schedule 7

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General Fund and Police New Equipment
3. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2022	December 31, 2021	December 31, 2020
Police Bond and Fine	\$ 9,400	\$ 11,441	\$ 8,773
Administration of Justice	6,696	6,290	4,874

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

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

	December 31, 2022	December 31, 2021	December 31, 2020
Buildings	\$ 261,392	\$ 261,392	\$ 257,893
Equipment	706,036	713,106	671,119
Totals	<u>\$ 967,428</u>	<u>\$ 974,498</u>	<u>\$ 929,012</u>

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

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

	December 31, 2022	December 31, 2021	December 31, 2020
Coronavirus Aid, Relief and Economic Security Act (CARES)			\$ 37,310
American Rescue Plan Act (ARPA)	\$ 131,041	\$ 131,043	
Totals	<u>\$ 131,041</u>	<u>\$ 131,043</u>	<u>\$ 37,310</u>