

City of Guy, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF GUY, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2022

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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 Guy, 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 Guy, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated February 9, 2024. 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 2022:

Mayor: Sam Higdon (resigned August 24, 2022)
Ronnie Clendenin (appointed August 25, 2022)
Recorder/Treasurer: Rita James
District Court Clerk: Wendy Grimes
Police Chief: Chris Humphrey

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, reading "Roger A. Norman".

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

Little Rock, Arkansas
February 9, 2024
LOM222522

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 300,784	\$ 360,299
Receipts:		
State aid	11,218	64,925
Federal aid	2,995	161,629
Property taxes	42,450	14,934
Franchise fees	42,087	
Sales taxes	76,968	38,484
Fines, forfeitures, and costs	83,865	1,490
Interest	412	648
Local permits and fees	2,900	
Donations		1,150
Other	20,219	12,936
Transfers in		10,000
Total Receipts	<u>283,114</u>	<u>306,196</u>
Disbursements:		
General government	192,605	8,039
Law enforcement	60,858	
Highways and streets		194,903
Recreation and culture		10,071
Wastewater		149,056
Contributions to water		80,000
Transfers out	10,000	
Total Disbursements	<u>263,463</u>	<u>442,069</u>
Cash Balance, December 31, 2022	<u>\$ 320,435</u>	<u>\$ 224,426</u>

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

Schedule 2

	Street	Park	Court Automation	Building Renovation	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 187,991	\$ 79,562	\$ 6,202	\$ 4,909	\$ 81,635	\$ 360,299
Receipts:						
State aid	64,925					64,925
Federal aid					161,629	161,629
Property taxes	14,934					14,934
Sales taxes		38,484				38,484
Fines, forfeitures, and costs			1,490			1,490
Interest	582	46	4	3	13	648
Donations		650		500		1,150
Other	10,765				2,171	12,936
Transfers in				10,000		10,000
Total Receipts	91,206	39,180	1,494	10,503	163,813	306,196
Disbursements:						
General government				2,611	5,428	8,039
Highways and streets	194,903					194,903
Recreation and culture		10,071				10,071
Water					149,056	149,056
Contributions to water					80,000	80,000
Total Disbursements	194,903	10,071		2,611	234,484	442,069
Cash Balance, December 31, 2022	\$ 84,294	\$ 108,671	\$ 7,696	\$ 12,801	\$ 10,964	\$ 224,426

CITY OF GUY, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

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

2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, Capital Improvement, and Beautification.

3. The cash balance at year-end in the custodial fund is as follows:

	December 31, 2022
District Court	\$ 10,025

This balance 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
Land	\$ 98,418
Buildings	211,860
Equipment	348,921
Total	<u>\$ 659,199</u>

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 81,629
American Rescue Plan Act (passed through from Faulkner County)	80,000
	<u>\$ 161,629</u>