

City of Oppelo, Arkansas

Financial and Compliance Report

December 31, 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF OPPELO, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 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 Oppelo, 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 Oppelo, Arkansas, as of and for the year ended December 31, 2020, and have issued our report thereon dated March 30, 2021. 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 2020:

Mayor: Larry Wilson
Recorder/Treasurer: Renee Wilson
District Court Clerk: Renee McGhee
Police Chief: Phillip Rappold

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 the **Mayor**.

Mayor

Street Fund disbursements exceeded budgeted appropriations by \$56,843 (41%), in noncompliance with Ark. Code Ann. § 14-58-203.

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
March 30, 2021
LOM214520

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

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2020	\$ 8,955	\$ 198,512
Receipts:		
State aid	11,588	64,379
Federal aid	24,714	
Property taxes	23,199	8,578
Franchise fees	21,501	
Sales taxes	166,650	
Fines, forfeitures, and costs	28,691	
Interest	162	739
Local permits and fees	1,110	
Contributions from water department	128,435	
Contribution from county		22,195
Other	6,624	
Total Receipts	<u>412,674</u>	<u>95,891</u>
Disbursements:		
General government	116,749	
Law enforcement	75,972	
Highways and streets		195,203
Public safety	19,347	12,177
Sanitation	36,323	
Recreation and culture	1,185	
Debt service	2,100	
Sales taxes transferred to water department	122,700	
Total Disbursements	<u>374,376</u>	<u>207,380</u>
Cash Balance, December 31, 2020	<u>\$ 47,253</u>	<u>\$ 87,023</u>

CITY OF OPPELO, 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	<u>\$ 183,563</u>	<u>\$ 14,949</u>	<u>\$ 198,512</u>
Receipts:			
State aid	58,958	5,421	64,379
Property taxes	7,331	1,247	8,578
Interest	724	15	739
Contribution from county		22,195	22,195
Total Receipts	<u>67,013</u>	<u>28,878</u>	<u>95,891</u>
Disbursements:			
Highways and streets	195,203		195,203
Public safety		12,177	12,177
Total Disbursements	<u>195,203</u>	<u>12,177</u>	<u>207,380</u>
Cash Balance, December 31, 2020	<u>\$ 55,373</u>	<u>\$ 31,650</u>	<u>\$ 87,023</u>

CITY OF OPPELO, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (UNAUDITED)

Schedule 3

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

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

	December 31, 2020
District Court Fund	\$ 318

This balance represents 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, 2020
Land	\$ 107,628
Buildings	110,751
Improvements	62,052
Equipment	548,558
Total	\$ 828,989

4. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2020
Notes payable	\$ 6,526