

City of Thornton, Arkansas

Financial and Compliance Report

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF THORNTON, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2017

Financial and Compliance Report

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Thornton, 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 Thornton, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated September 20, 2018. 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 2017:

Mayor: Libby Coats
Recorder/Treasurer: Sharon Scott
City Clerk: Sue Ferrell
Marshal: Tommy Stringfellow

We evaluated the City's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

Our procedures indicated that the above offices were in substantial compliance with Arkansas fiscal and financial laws.

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
September 20, 2018
LOM218217

CITY OF THORNTON, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2017	\$ 168,301	\$ 36,596
Receipts:		
State aid	25,248	27,998
Property taxes	27,701	8,718
Franchise fees	14,784	
Sales taxes	101,379	
Fines, forfeitures, and costs	304	
Interest	41	34
Sanitation fees		16,808
Other	9,921	
Total Receipts	<u>179,378</u>	<u>53,558</u>
Disbursements:		
General government	145,249	
Highways and streets		33,480
Public safety	59,815	
Sanitation		13,118
Debt service	11,889	
Contributions to water	4,000	
Total Disbursements	<u>220,953</u>	<u>46,598</u>
Cash Balance, December 31, 2017	<u>\$ 126,726</u>	<u>\$ 43,556</u>

CITY OF THORNTON, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Solid Waste</u>	<u>Total</u>
Cash Balance, January 1, 2017	<u>\$ 34,548</u>	<u>\$ 2,048</u>	<u>\$ 36,596</u>
Receipts:			
State aid	27,998		27,998
Property taxes	8,718		8,718
Interest	34		34
Sanitation fees		16,808	16,808
Total Receipts	<u>36,750</u>	<u>16,808</u>	<u>53,558</u>
Disbursements:			
Highways and streets	33,480		33,480
Sanitation		13,118	13,118
Total Disbursements	<u>33,480</u>	<u>13,118</u>	<u>46,598</u>
Cash Balance, December 31, 2017	<u><u>\$ 37,818</u></u>	<u><u>\$ 5,738</u></u>	<u><u>\$ 43,556</u></u>

CITY OF THORNTON, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General, Local Police and Fire Retirement (LOPFI), State Revenue, Payroll, and Fire Equipment and Training (Act 833).
3. The Municipality's capital assets records are summarized below:

	<u>December 31, 2017</u>
Land	\$ 18,229
Buildings	64,950
Equipment	<u>231,798</u>
Total	<u>\$ 314,977</u>

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

	<u>December 31, 2017</u>
Notes payable	<u>\$ 8,959</u>