

City of Leola, Arkansas

Financial and Compliance Report

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF LEOLA, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

Arkansas

Sen. Jimmy Hickey, Jr.
Senate Chair
Sen. Lance Eads
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Mary Bentley
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 Leola, 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 Leola, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated September 7, 2018. These procedures were not performed for the Water and Sewer Department 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 2017:

Mayor: Steve Davis
Recorder/Treasurer: Ruby Smith

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.

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 7, 2018
LOM223217

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

Schedule 1

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2017	\$ 193,657	\$ 435,496
Receipts:		
State aid	7,946	44,775
Property taxes	25,839	14,038
Franchise fees	12,439	
Interest	231	843
Local permits and fees		3,210
Contributions from the county		5,250
Donations		4,130
Other	6,048	337
Total Receipts	<u>52,503</u>	<u>72,583</u>
Disbursements:		
General government	25,223	
Highways and streets	3,867	15,827
Public safety	4,585	23,299
Total Disbursements	<u>33,675</u>	<u>39,126</u>
Cash Balance, December 31, 2017	<u>\$ 212,485</u>	<u>\$ 468,953</u>

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

Schedule 2

	Street	Rural Fire Protection - Act 833	Fire Department	Total
Cash Balance, January 1, 2017	\$ 409,911	\$ 8,448	\$ 17,137	\$ 435,496
Receipts:				
State aid	34,465	10,310		44,775
Property taxes	14,038			14,038
Interest	843			843
Local permits and fees			3,210	3,210
Contributions from the county			5,250	5,250
Donations			4,130	4,130
Other	26		311	337
Total Receipts	<u>49,372</u>	<u>10,310</u>	<u>12,901</u>	<u>72,583</u>
Disbursements:				
Highways and streets	15,827			15,827
Public safety		5,687	17,612	23,299
Total Disbursements	<u>15,827</u>	<u>5,687</u>	<u>17,612</u>	<u>39,126</u>
Cash Balance, December 31, 2017	<u>\$ 443,456</u>	<u>\$ 13,071</u>	<u>\$ 12,426</u>	<u>\$ 468,953</u>

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

Schedule 3

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

	<u>December 31, 2017</u>
Land	\$ 56,240
Buildings	73,796
Equipment	<u>364,353</u>
Total	<u>\$ 494,389</u>