

**Town of Bauxite, Arkansas**

**Financial and Compliance Report**

**December 31, 2017**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF BAUXITE, ARKANSAS  
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FOR THE YEAR ENDED DECEMBER 31, 2017

Financial and Compliance Report

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# Arkansas

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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

Town of Bauxite, 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 Town of Bauxite, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated May 3, 2018. These procedures were not performed for the Water and Sewer Department. Management of the Town 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: Bill Russell  
Recorder/Treasurer: Becky Mitchell  
District Court Clerk: Lindsey Dinwiddie (appointed June 1, 2017)  
Christy Mitchell (June 1, 2017)  
Police Chief: Jamie Barlow

We evaluated the Town'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 offices of **Mayor** and **Police Chief** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the offices of **Record/Treasurer** and **District Court Clerk**.

#### **Recorder/Treasurer**

State aid for highway funds from previous years of \$15,562 was not transferred from the General Fund to the Street Fund, in noncompliance with Ark. Code Ann. § 14-59-104. The Town is currently paying \$100 per month until amount is paid in full.

#### **District Court Clerk**

The District Court Clerk was unable to identify \$10,669 remaining in the bank account with receipts issued for cases not yet adjudicated and the payments made on all unpaid individual time accounts, as required by Ark. Code Ann. § 16-10-209. A similar finding was noted in the previous report.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local Town 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  
May 3, 2018  
LOM301317

TOWN OF BAUXITE , 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	\$ 37,537	\$ 247,148
Receipts:		
State aid	7,724	55,311
Property taxes	38,545	11,563
Franchise fees	39,212	
Sales taxes	56,690	113,380
Fines, forfeitures, and costs	100,857	4,165
Interest	182	1,346
Tower rent	5,500	
Local permits and fees	5,479	
Sale of equipment		15,000
Donations		350
Other	3,659	1,291
Contribution from county		561
Transfers in	14,965	15,596
Contribution from water department	5,754	
Total Receipts	<u>278,567</u>	<u>218,563</u>
Disbursements:		
General government	123,177	
Law enforcement	136,706	1,137
Highways and streets		138,699
Public safety		57,516
Debt service		17,701
Water and sewer	16,679	
Transfers out	1,200	29,361
Contribution to water department	8,500	
Total Disbursements	<u>286,262</u>	<u>244,414</u>
Cash Balance, December 31, 2017	<u>\$ 29,842</u>	<u>\$ 221,297</u>

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

Schedule 2

	Street	Fire Protection Act 833	Fire Department	Public Safety	Court Automation	Parks	Total
Cash Balance, January 1, 2017	\$ 130,881	\$ 7,254	\$ 80,453	\$ 21,594	\$ 4,566	\$ 2,400	\$ 247,148
Receipts:							
State aid	33,501	21,810					55,311
Property taxes	11,563						11,563
Sales taxes	56,690		56,690				113,380
Fines, forfeitures, and costs					4,165		4,165
Interest	672	46	547	41	37	3	1,346
Sale of equipment			15,000				15,000
Donations						350	350
Other	1,286		5				1,291
Contribution from county			561				561
Transfers in	8,398		7,198				15,596
Total Receipts	<u>112,110</u>	<u>21,856</u>	<u>80,001</u>	<u>41</u>	<u>4,202</u>	<u>353</u>	<u>218,563</u>
Disbursements:							
Law enforcement					1,137		1,137
Highways and streets	138,699						138,699
Public safety			57,516				57,516
Debt service		17,701					17,701
Transfers out	4,667		2,770	21,594	16	314	29,361
Total Disbursements	<u>143,366</u>	<u>17,701</u>	<u>60,286</u>	<u>21,594</u>	<u>1,153</u>	<u>314</u>	<u>244,414</u>
Cash Balance, December 31, 2017	<u>\$ 99,625</u>	<u>\$ 11,409</u>	<u>\$ 100,168</u>	<u>\$ 41</u>	<u>\$ 7,615</u>	<u>\$ 2,439</u>	<u>\$ 221,297</u>

TOWN OF BAUXITE , ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2017  
 (UNAUDITED)

Schedule 3

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

	December 31, 2017
District Court Fund	\$ 34,777
Payroll Fund	6,359

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

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

	December 31, 2017
Land	\$ 89,000
Buildings	502,000
Equipment	628,236
Total	\$ 1,219,236

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

	December 31, 2017
Notes payable	\$ 21,801

6. On June 19, 2017, the Town of Bauxite passed a Resolution no. 2017-5, authorizing an agreement with the City of Bryant District Court to absorb the workload of the Bauxite District Court. The Town of Bauxite will pay \$1,200 a month to the City of Bryant as payment for this agreement. The Bryant District Court Clerk is listed in the report as Town of Bauxite District Court Clerk.