

Town of Blue Mountain, Arkansas

Financial and Compliance Report

December 31, 2017, 2016, and 2015

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF BLUE MOUNTAIN, ARKANSAS
TABLE OF CONTENTS
FOR THE YEARS ENDED DECEMBER 31, 2017, 2016, AND 2015

Financial and Compliance Report

	<u>Schedule</u>
2017	
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
2016	
Schedule of Financial Information (Unaudited)	3
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	4
2015	
Schedule of Financial Information (Unaudited)	5
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	6
2017, 2016, and 2015	
Other Information (Unaudited)	7

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

Town of Blue Mountain, 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 Blue Mountain, Arkansas, as of and for the years ended December 31, 2017, 2016, and 2015, and have issued our report thereon dated August 29, 2018. These procedures were not performed for the Water 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, 2016, and 2015:

Mayor: Dale Dickens
Recorder/Treasurer: Sharon Leach

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.

Noncompliance with state law and accepted accounting practices was noted in the offices of **Mayor** and **Recorder/Treasurer**.

Mayor and Recorder/Treasurer

Disbursements of \$2,329, \$2,025, and \$744, in 2017, 2016, and 2015, respectively, were made by debit card rather than prenumbered checks, in noncompliance with Ark. Code Ann. § 14-59-105.

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
August 29, 2018
LOM302717

TOWN OF BLUE MOUNTAIN, 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	\$ 52,830	\$ 62,772
Receipts:		
State aid	1,967	17,088
Federal aid		43,384
Property taxes	1,238	908
Franchise fees	1,866	
Sales taxes	14,313	
Interest	3	55
Refunds	2,396	
Other	490	
Transfers in		20,000
Total Receipts	<u>22,273</u>	<u>81,435</u>
Disbursements:		
General government	16,803	
Highways and streets		38,715
Public safety		14,714
Recreation and culture	1,045	
Transfers out	20,000	
Total Disbursements	<u>37,848</u>	<u>53,429</u>
Cash Balance, December 31, 2017	<u>\$ 37,255</u>	<u>\$ 90,778</u>

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

Schedule 2

	<u>Street</u>	<u>Fire Department</u>	<u>Total</u>
Cash Balance, January 1, 2017	\$ 22,030	\$ 40,742	\$ 62,772
Receipts:			
State aid	8,530	8,558	17,088
Federal aid	43,384		43,384
Property taxes	908		908
Interest		55	55
Transfers in	20,000		20,000
Total Receipts	<u>72,822</u>	<u>8,613</u>	<u>81,435</u>
Disbursements:			
Highways and streets	38,715		38,715
Public safety		14,714	14,714
Total Disbursements	<u>38,715</u>	<u>14,714</u>	<u>53,429</u>
Cash Balance, December 31, 2017	<u>\$ 56,137</u>	<u>\$ 34,641</u>	<u>\$ 90,778</u>

TOWN OF BLUE MOUNTAIN, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2016
 (UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2016	\$ 59,080	\$ 63,534
Receipts:		
State aid	1,981	27,102
Property taxes	1,331	998
Franchise fees	1,883	1
Sales taxes	16,042	
Interest	2	56
Refunds	87	
Other	680	532
Transfers in		15,000
Total Receipts	<u>22,006</u>	<u>43,689</u>
Disbursements:		
General government	11,969	
Highways and streets		43,999
Public safety		452
Recreation and culture	1,287	
Transfers out	15,000	
Total Disbursements	<u>28,256</u>	<u>44,451</u>
Cash Balance, December 31, 2016	<u>\$ 52,830</u>	<u>\$ 62,772</u>

TOWN OF BLUE MOUNTAIN, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2016
 (UNAUDITED)

Schedule 4

	Street	Fire Department	Total
Cash Balance, January 1, 2016	\$ 29,667	\$ 33,867	\$ 63,534
Receipts:			
State aid	19,832	7,270	27,102
Property taxes	998		998
Franchise fees		1	1
Interest		56	56
Other	532		532
Transfers in	15,000		15,000
Total Receipts	<u>36,362</u>	<u>7,327</u>	<u>43,689</u>
Disbursements:			
Highways and streets	43,999		43,999
Public safety		452	452
Total Disbursements	<u>43,999</u>	<u>452</u>	<u>44,451</u>
Cash Balance, December 31, 2016	<u>\$ 22,030</u>	<u>\$ 40,742</u>	<u>\$ 62,772</u>

TOWN OF BLUE MOUNTAIN, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2015
 (UNAUDITED)

Schedule 5

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2015	\$ 51,984	\$ 55,748
Receipts:		
State aid	1,961	14,706
Property taxes	1,347	1,010
Franchise fees	1,948	
Sales taxes	14,700	
Interest	3	52
Refunds	41	
Other	365	309
Total Receipts	20,365	16,077
Disbursements:		
General government	12,215	
Highways and streets		3,261
Public safety		5,030
Recreation and culture	1,054	
Total Disbursements	13,269	8,291
Cash Balance, December 31, 2015	\$ 59,080	\$ 63,534

TOWN OF BLUE MOUNTAIN, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2015
 (UNAUDITED)

Schedule 6

	<u>Street</u>	<u>Fire Department</u>	<u>Total</u>
Cash Balance, January 1, 2015	\$ 23,422	\$ 32,326	\$ 55,748
Receipts:			
State aid	8,187	6,519	14,706
Property taxes	1,010		1,010
Interest		52	52
Other	309		309
Total Receipts	<u>9,506</u>	<u>6,571</u>	<u>16,077</u>
Disbursements:			
Highways and streets	3,261		3,261
Public safety		5,030	5,030
Total Disbursements	<u>3,261</u>	<u>5,030</u>	<u>8,291</u>
Cash Balance, December 31, 2015	<u>\$ 29,667</u>	<u>\$ 33,867</u>	<u>\$ 63,534</u>

TOWN OF BLUE MOUNTAIN, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2017, 2016, AND 2015
 (UNAUDITED)

Schedule 7

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 and Municipal Building
3. The Municipality's capital assets records are summarized below:

	December 31, 2017	December 31, 2016	December 31, 2015
Land	\$ 19,978	\$ 19,978	\$ 19,978
Buildings	47,785	47,785	47,785
Equipment	140,326	117,999	79,379
Total	\$ 208,089	\$ 185,762	\$ 147,142