

Town of Tollette, Arkansas

Financial and Compliance Report

December 31, 2017

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF TOLLETTE, ARKANSAS
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Arkansas



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Sen. Lance Eads
Senate Vice Chair

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Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Tollette, 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 Tollette, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated August 31, 2018. These procedures were not performed for the Water and Sewer System. 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: Charles Miller
Recorder/Treasurer: Dorothy Walker

We evaluated the Town's compliance with certain state laws concerning general 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

The budget was not adopted by ordinance or resolution, as required by Ark. Code Ann. § 14-58-202.

Recorder/Treasurer

A listing of capital assets was established, but did not include serial numbers, acquisition dates, totals by major category, and numerous items were not properly valued, in noncompliance with Ark. Code Ann. § 14-59-107.

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

A handwritten signature in cursive script that reads "Roger A. Norman".

Roger A. Norman, JD, CPA, CFE, CFF
Legislative Auditor

Little Rock, Arkansas
August 31, 2018
LOM316017

TOWN OF TOLLETTE, 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	\$ 15,952	\$ 14,766
Receipts:		
State aid	3,806	20,047
Federal aid		500
Property taxes	6,845	1,521
Franchise fees	241	
Sales taxes	43,580	
Interest	28	
Local permits and fees		687
Donations and fundraisers	200	3,785
Other	469	277
Transfers in	250	
Total Receipts	<u>55,419</u>	<u>26,817</u>
Disbursements:		
General government	34,857	
Highways and streets		19,450
Public safety		10,140
Recreation and culture		417
Contribution to water	10,290	
Transfers out		250
Total Disbursements	<u>45,147</u>	<u>30,257</u>
Cash Balance, December 31, 2017	<u>\$ 26,224</u>	<u>\$ 11,326</u>

TOWN OF TOLLETTE, 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>Criminal Justice</u>	<u>Park Commission</u>	<u>Total</u>
Cash Balance, January 1, 2017	\$ 8,806	\$ 4,688	\$ 249	\$ 1,023	\$ 14,766
Receipts:					
State aid	16,510	3,492	45		20,047
Federal aid		500			500
Property taxes	1,521				1,521
Local permits and fees		687			687
Donations and fundraisers		3,785			3,785
Other	277				277
Total Receipts	<u>18,308</u>	<u>8,464</u>	<u>45</u>	<u>0</u>	<u>26,817</u>
Disbursements:					
Highways and streets	19,450				19,450
Public safety		10,140			10,140
Recreation and culture				417	417
Transfers out			250		250
Total Disbursements	<u>19,450</u>	<u>10,140</u>	<u>250</u>	<u>417</u>	<u>30,257</u>
Cash Balance, December 31, 2017	<u>\$ 7,664</u>	<u>\$ 3,012</u>	<u>\$ 44</u>	<u>\$ 606</u>	<u>\$ 11,326</u>

TOWN OF TOLLETTE, 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 Municipality's capital assets records are summarized below:

	<u>December 31, 2017</u>
Land and buildings	\$ 320,000
Equipment	<u>119,010</u>
Total	<u>\$ 439,010</u>