

City of Keiser, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF KEISER, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

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Arkansas

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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Keiser, 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 Keiser, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated February 24, 2023. These procedures were not performed for the Water and Sewer Funds. 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 2021:

Mayor: Eddie Gardner (resigned September 25, 2021); Rick Creecy (appointed October 11, 2021)
Recorder/Treasurer: Peggy Sellars
Police Chief: Glenn Austin

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.

Noncompliance with state law and accepted accounting practices was noted in the office of the **Mayor**.

Mayor

The General and Street Fund expenditures exceeded budgeted appropriations by \$29,802 (11%) and \$29,072 (32%), respectively, in noncompliance with Ark. Code Ann. § 14-58-203. A similar finding was noted in the previous five reports dating back to 2013.

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
February 24, 2023
LOM209821

CITY OF KEISER, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2021	\$ 110,981	\$ 105,797
Receipts:		
State aid	12,771	62,403
Federal aid		70,028
Property taxes	26,227	5,468
Franchise fees	29,276	
Sales taxes	198,689	
Sanitation fees	94,573	
Insurance proceeds	3,486	
Other	18,836	
Total Receipts	<u>383,858</u>	<u>137,899</u>
Disbursements:		
General government	130,037	
Law enforcement	54,993	
Highways and streets		119,072
Public safety	19,231	
Sanitation	89,840	
Sales taxes remitted to water and sewer department	64,906	
Total Disbursements	<u>359,007</u>	<u>119,072</u>
Cash Balance, December 31, 2021	<u>\$ 135,832</u>	<u>\$ 124,624</u>

CITY OF KEISER, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (UNAUDITED)

Schedule 2

	<u>Street</u>	<u>Special Vehicle</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2021	<u>\$ 104,782</u>	<u>\$ 1,015</u>		<u>\$ 105,797</u>
Receipts:				
State aid	62,403			62,403
Federal aid			\$ 70,028	70,028
Property taxes	5,468			5,468
Total Receipts	<u>67,871</u>		<u>70,028</u>	<u>137,899</u>
Disbursements:				
Highways and streets	<u>119,072</u>			<u>119,072</u>
Cash Balance, December 31, 2021	<u><u>\$ 53,581</u></u>	<u><u>\$ 1,015</u></u>	<u><u>\$ 70,028</u></u>	<u><u>\$ 124,624</u></u>

CITY OF KEISER, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (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, Act 833, and Fire Department

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

Land	\$	62,415
Buildings		161,549
Equipment		<u>697,413</u>
 Total	 \$	 <u><u>921,377</u></u>

4. The City received federal funding of the following amount related to COVID-19 relief:

		December 31, 2021
		<u> </u>
American Rescue Plan Act (ARPA)	\$	<u><u>70,028</u></u>