

City of Black Rock, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF BLACK ROCK, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2022

Financial and Compliance Report

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Arkansas

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Sen. John Payton
Senate Vice Chair



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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 Black Rock, 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 Black Rock, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated April 4, 2024. These procedures were not performed for the Water and Sewer Department. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The finding contained in this section relates to the following officials who held office during 2022:

Mayor: Bonnie Ragsdale
Recorder/Treasurer: Darlene Schmidt
Police Chief: Mark VanBrook (resigned June 13, 2022)
Brian Archer (appointed July 1, 2022)

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 governing body did not review the prior report and accompanying comments at the first regularly scheduled meeting following receipt of the report, as required by Ark. Code Ann. § 10-4-418.

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

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

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

Little Rock, Arkansas
April 4, 2024
LOM201222

CITY OF BLACK ROCK, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2022	\$ 165,196	\$ 182,958
Receipts:		
State aid	8,802	65,775
Federal aid	9,615	62,361
Property taxes	7,767	5,547
Franchise fees	2,769	22,429
Sales taxes	188,075	
Fines, forfeitures, and costs	55,368	16,439
Interest	555	71
Local permits and fees		11,701
Donations and fundraisers	16,829	10,922
Rental income		8,896
Concessions		385
Other	8,286	2,546
Total Receipts	<u>298,066</u>	<u>207,072</u>
Disbursements:		
General government	170,142	
Law enforcement	109,279	10,026
Highways and streets		64,811
Public safety		27,545
Recreation and culture		20,484
Contribution to sewer		52,280
Total Disbursements	<u>279,421</u>	<u>175,146</u>
Cash Balance, December 31, 2022	<u>\$ 183,841</u>	<u>\$ 214,884</u>

CITY OF BLACK ROCK, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 2

	Street	Jail	Fire Department	School	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 25,821	\$ 43,902	\$ 48,185	\$ 8,093	\$ 56,957	\$ 182,958
Receipts:						
State aid	50,939		14,836			65,775
Federal aid					62,361	62,361
Property taxes	5,547					5,547
Franchise fees	22,429					22,429
Fines, forfeitures, and costs		16,439				16,439
Interest			69	2		71
Local permits and fees			11,701			11,701
Donations and fundraisers			6,850	4,072		10,922
Rental income				8,896		8,896
Concessions				385		385
Other			1,795	751		2,546
Total Receipts	78,915	16,439	35,251	14,106	62,361	207,072
Disbursements:						
Law enforcement		10,026				10,026
Highways and streets	64,811					64,811
Public safety			27,545			27,545
Recreation and culture				20,484		20,484
Contribution to sewer					52,280	52,280
Total Disbursements	64,811	10,026	27,545	20,484	52,280	175,146
Cash Balance, December 31, 2022	\$ 39,925	\$ 50,315	\$ 55,891	\$ 1,715	\$ 67,038	\$ 214,884

CITY OF BLACK ROCK, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.

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

	December 31, 2022
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Land	\$ 76,425
Buildings	166,666
Equipment	<hr/> 620,459
Total	<hr/> <hr/> \$ 863,550

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

	December 31, 2022
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American Rescue Plan Act (ARPA)	<hr/> \$ 62,361