

City of Bradford, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF BRADFORD, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

Arkansas

Sen. Ronald Caldwell
Senate Chair
Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Nelda Speaks
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 Bradford, 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 Bradford, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated November 2, 2022. 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 findings contained in this section relate to the following officials who held office during 2021:

Mayor: Dennis Whitener
Recorder/Treasurer: Janet Richards
District Court Clerk: Chrystal Bonner
Police Chief: David Lock

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 offices of **Recorder/ Treasurer** and **District Court Clerk**.

Recorder/ Treasurer

The cash receipts and disbursements journals were not always properly classified and posted, as required by Ark. Code Ann. §§ 14-59-110, -111.

District Court Clerk

The balance in the District Court bank account was not identified with receipts 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 four reports.

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, reading "Roger A. Norman".

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

Little Rock, Arkansas
November 2, 2022
LOM201521

CITY OF BRADFORD, 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	\$ 119,439	\$ 240,311
Receipts:		
State aid	12,112	84,642
Federal aid		76,243
Property taxes	8,875	4,666
Franchise fees	27,263	
Sales taxes	177,749	115,324
Fines, forfeitures, and costs	43,504	2,555
Interest	212	256
Contributions from county		112,971
Sanitation fees	90,166	
Sale of assets		25,175
Other	56,436	10,021
Total Receipts	<u>416,317</u>	<u>431,853</u>
Disbursements:		
General government	147,662	
Law enforcement	227,154	16,271
Highways and streets		124,074
Public safety		80,305
Sanitation	8,053	
Recreation and culture		23,966
Social services		287
Debt service		100,031
Total Disbursements	<u>382,869</u>	<u>344,934</u>
Cash Balance, December 31, 2021	<u>\$ 152,887</u>	<u>\$ 327,230</u>

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

Schedule 2

	Street	Local Police and Fire Retirement (LOPFI)	Volunteer Fire Department	Fire Equipment	Court Automation	Save City Hall
Cash Balance, January 1, 2021	\$ 44,309	\$ 1,445	\$ 23,470	\$ 70,375	\$ 3,701	\$ 3,420
Receipts:						
State aid	60,937		23,705			
Federal aid						
Property taxes	2,800	1,866				
Sales taxes	52,420			20,968		
Fines, forfeitures, and costs					2,555	
Interest	56	1	19	148		
Contributions from county				5,416		
Sale of assets						
Other	12		1,311	1,730		
Total Receipts	<u>116,225</u>	<u>1,867</u>	<u>25,035</u>	<u>28,262</u>	<u>2,555</u>	
Disbursements:						
Law enforcement					3,610	
Highways and streets	124,074					
Public safety		1,696	17,222	25,364		
Recreation and culture						
Social services						
Debt service	8,918		12,001			
Total Disbursements	<u>132,992</u>	<u>1,696</u>	<u>29,223</u>	<u>25,364</u>	<u>3,610</u>	
Cash Balance, December 31, 2021	<u>\$ 27,542</u>	<u>\$ 1,616</u>	<u>\$ 19,282</u>	<u>\$ 73,273</u>	<u>\$ 2,646</u>	<u>\$ 3,420</u>

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

Schedule 2

	McKinley Goad Sports Complex	Police Department	Fire County Tax	Senior Center	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 14,749	\$ 16,304	\$ 61,468	\$ 1,070		\$ 240,311
Receipts:						
State aid						84,642
Federal aid					\$ 76,243	76,243
Property taxes						4,666
Sales taxes	20,968	20,968				115,324
Fines, forfeitures, and costs						2,555
Interest					32	256
Contributions from county			107,555			112,971
Sale of assets			25,175			25,175
Other	4,500	25	2,443			10,021
Total Receipts	25,468	20,993	135,173		76,275	431,853
Disbursements:						
Law enforcement		12,661				16,271
Highways and streets						124,074
Public safety			36,023			80,305
Recreation and culture	23,966					23,966
Social services				287		287
Debt service		5,835	73,277			100,031
Total Disbursements	23,966	18,496	109,300	287		344,934
Cash Balance, December 31, 2021	\$ 16,251	\$ 18,801	\$ 87,341	\$ 783	\$ 76,275	\$ 327,230

CITY OF BRADFORD, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

Schedule 3

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

2. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2021
District Court	\$ 21,199
Administration of Justice	3,321

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

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

	December 31, 2021
Land	\$ 111,689
Buildings	366,355
Equipment	896,218
Total	<u>\$ 1,374,262</u>

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

	December 31, 2021
Notes payable	<u>\$ 138,982</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 76,243</u>