

**City of Joiner, Arkansas**

**Financial and Compliance Report**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

---



CITY OF JOINER, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

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

**City of Joiner, Arkansas**

**Financial and Compliance Report**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

---



CITY OF JOINER, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

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. David Wallace**  
Senate Chair  
**Sen. John Payton**  
Senate Vice Chair



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
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 Joiner, 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 Joiner, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated July 27, 2023. 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 2022:

Mayor: Sissie Winford-Ross  
Recorder/Treasurer: Josie Vasquez

We evaluated the City'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 office of the **Recorder/Treasurer**.

### Recorder/Treasurer

1. The City paid one employee a total of \$1,086 due to undocumented overtime hours, a salary increase without authorized documentation, overpaid vacation time, and clerical errors. In addition, the employee's leave request record was not always reflected on the timesheet
2. Bank accounts were not properly reconciled, and reconciliations were not approved by a person other than the preparer, in noncompliance with Ark. Code Ann. § 14-59-108. A similar finding was issued in the previous six reports dating back to 2016.
3. The General Fund and Street Fund cash receipts and disbursements journals and the Fire Equipment and Training Fund cash disbursements journal were not properly posted, in noncompliance with Ark Code Ann. §§ 14-59-110, -111. A similar finding was noted in prior report.
4. Federal and state payroll withholdings were not remitted to the appropriate entities in a timely manner. A similar finding was noted in the previous five reports dating back to 2017.
5. The Recorder/Treasurer did not submit a monthly financial report to the City Council, in noncompliance with Ark. Code Ann. § 14-59-115.
6. While performing the disbursement procedures, we noted the following issues:
  - Invoices and supporting documentation were not provided for tested disbursements of \$12,829 (32%), in noncompliance with Ark. Code Ann. § 14-59-105.
  - Disbursement did not always appear to be authorized for payment by the Mayor or her duly authorized representative, in noncompliance with Ark. Code Ann. § 14-58-305.
  - Duplicate and untimely payments were noted for several tested items.
7. Electronic disbursements were made without proper approval of the council (by ordinance) and without establishing written policies and procedures to ensure that the electronic funds payment system provides for internal accounting controls and documentation for audit and accounting purposes, 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 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  
July 27, 2023  
LOM209522

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  
July 27, 2023  
LOM209522

CITY OF JOINER, 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	\$ 76,522	\$ 57,963
Receipts:		
State aid	7,429	55,972
Federal aid		51,795
Property taxes	12,374	3,407
Franchise fees	20,659	
Sales taxes	185,462	
Interest	69	11
Fire call fees		5,604
Sanitation fees		17,673
Other	5,149	3,847
Transfers in		17,850
Total Receipts	<u>231,142</u>	<u>156,159</u>
Disbursements:		
General government	194,433	10,838
Highways and streets	10,521	49,213
Public safety		17,968
Sanitation	17,800	58,595
Debt service	15,160	20,956
Transfers out	17,850	
Contributions to water department		3,500
Total Disbursements	<u>255,764</u>	<u>161,070</u>
Cash Balance, December 31, 2022	<u>\$ 51,900</u>	<u>\$ 53,052</u>



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

Schedule 2

	Street	Public Safety	Fire Equipment and Training (Act 833)	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ (3,003)	\$ 1,704	\$ 7,466	\$ 51,796	\$ 57,963
Receipts:					
State aid	42,996		12,976		55,972
Federal aid				51,795	51,795
Property taxes	3,407				3,407
Interest	3	1	7		11
Fire call fees		5,604			5,604
Sanitation fees	17,673				17,673
Other	3,847				3,847
Transfers in	14,500	3,350			17,850
Total Receipts	<u>82,426</u>	<u>8,955</u>	<u>12,983</u>	<u>51,795</u>	<u>156,159</u>
Disbursements:					
General government				10,838	10,838
Highways and streets	49,213				49,213
Public safety		9,835	8,133		17,968
Sanitation	9,395			49,200	58,595
Debt service	16,624			4,332	20,956
Contributions to water department				3,500	3,500
Total Disbursements	<u>75,232</u>	<u>9,835</u>	<u>8,133</u>	<u>67,870</u>	<u>161,070</u>
Cash Balance, December 31, 2022	<u>\$ 4,191</u>	<u>\$ 824</u>	<u>\$ 12,316</u>	<u>\$ 35,721</u>	<u>\$ 53,052</u>

CITY OF JOINER, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022  
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.

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

	December 31, 2022
Land	\$ 89,205
Buildings	104,676
Equipment	527,531
Total	\$ 721,412

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

	December 31, 2022
Notes payable	\$ 110,477

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 51,795

5. On May 14, 2018, a City credit card with a balance of \$14,993 was turned over to a collection agency due to non-payment. The City paid \$600 during 2022. At December 31, 2022, the remaining balance was \$10,093. Subsequently, on February 21, 2023, the City settled with the collection agency for \$3,364.