

**City of Newark, Arkansas**

**Financial and Compliance Report**

**December 31, 2023 and 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

---



CITY OF NEWARK, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

Financial and Compliance Report		<u>Schedule</u>
	2023	
Schedule of Financial Information (Unaudited)		1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)		2
	2022	
Schedule of Financial Information (Unaudited)		3
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)		4
	2023 and 2022	
Other Information (Unaudited)		5

# Arkansas

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



**Rep. Jimmy Gazaway**  
House Chair  
**Rep. Richard Womack**  
House Vice Chair

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

City of Newark, 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 Newark, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated August 22, 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 commentary contained in this section relates to the following officials who held office during 2023 and 2022:

Mayor: Brian Barber  
Recorder/Treasurer: Joanne Langston

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 **Mayor**.

### **Mayor**

The governing body did not review the prior report 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 black ink, appearing to read "Kevin White".

Kevin White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
August 22, 2024  
LOM213923

CITY OF NEWARK, ARKANSAS  
 SCHEDULE OF FINANCIAL INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2023	\$ 350,840	\$ 347,855
Receipts:		
State aid	17,941	121,081
Property taxes	65,759	29,152
Franchise fees	67,159	
Sales taxes	251,075	162,290
Fines, forfeitures, and costs	457	
Interest	8,802	9,784
Local permits and fees	4,422	
Sanitation fees	67,240	
Mosquito control fees	13,082	
Cemetery fees	1,200	
Contribution from Independence County	7,230	3,300
Contribution from water and sewer	31,149	
Other	2,791	900
Transfers in		8,300
Total Receipts	<u>538,307</u>	<u>334,807</u>
Disbursements:		
General government	176,027	
Law enforcement	155,051	
Highways and streets		116,620
Public safety	5,702	96,156
Sanitation	84,643	
Health	7,419	
Recreation and culture	34,983	
Social services		5,897
Cemetery	28,267	
Transfers out	8,300	
Total Disbursements	<u>500,392</u>	<u>218,673</u>
Cash Balance, December 31, 2023	<u>\$ 388,755</u>	<u>\$ 463,989</u>

CITY OF NEWARK, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 2

	Street	Police Equipment	Fire Equipment and Training	Fire Department Sales Tax	Fire Department Special	Senior Citizens	Total
Cash Balance, January 1, 2023	\$ 59,158	\$ 2,185	\$ 31,277	\$ 244,800	\$ 10,076	\$ 359	\$ 347,855
Receipts:							
State aid	99,541		21,540				121,081
Property taxes	29,152						29,152
Sales taxes				130,978	31,312		162,290
Interest	509	1	17	9,250	4	3	9,784
Contribution from Independence County						3,300	3,300
Other					500	400	900
Transfers in					5,000	3,300	8,300
Total Receipts	<u>129,202</u>	<u>1</u>	<u>21,557</u>	<u>140,228</u>	<u>36,816</u>	<u>7,003</u>	<u>334,807</u>
Disbursements:							
Highways and streets	116,620						116,620
Public safety			12,267	50,000	33,889		96,156
Social services						5,897	5,897
Total Disbursements	<u>116,620</u>		<u>12,267</u>	<u>50,000</u>	<u>33,889</u>	<u>5,897</u>	<u>218,673</u>
Cash Balance, December 31, 2023	<u>\$ 71,740</u>	<u>\$ 2,186</u>	<u>\$ 40,567</u>	<u>\$ 335,028</u>	<u>\$ 13,003</u>	<u>\$ 1,465</u>	<u>\$ 463,989</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2022	\$ 431,089	\$ 243,093
Receipts:		
State aid	23,604	121,461
Federal aid		124,204
Property taxes	60,649	27,940
Franchise fees	61,483	
Sales taxes	238,390	154,087
Fines, forfeitures, and costs	1,637	212
Interest	2,058	1,820
Local permits and fees	4,533	
Sanitation fees	65,842	
Mosquito control fees	12,905	
Cemetery fees	1,800	
Contribution from Independence County	9,640	3,000
Contribution from water and sewer	29,642	
Other	1,134	670
Transfers in		5,000
Total Receipts	<u>513,317</u>	<u>438,394</u>
Disbursements:		
General government	183,887	
Law enforcement	147,342	
Highways and streets	33,283	114,856
Public safety	5,193	88,582
Sanitation	85,822	
Health	8,206	
Recreation and culture	95,800	
Social services		5,990
Cemetery	29,033	
Contribution to water and sewer		124,204
Transfers out	5,000	
Total Disbursements	<u>593,566</u>	<u>333,632</u>
Cash Balance, December 31, 2022	<u>\$ 350,840</u>	<u>\$ 347,855</u>

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

Schedule 4

	Street	Police Equipment	Fire Equipment and Training	Fire Department Sales Tax	Fire Department Special	Senior Citizens	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 44,134	\$ 1,972	\$ 18,281	\$ 156,485	\$ 19,173	\$ 3,048		\$ 243,093
Receipts:								
State aid	101,877		19,584					121,461
Federal aid							\$ 124,204	124,204
Property taxes	27,940							27,940
Sales taxes				124,401	29,686			154,087
Fines, forfeitures, and costs		212						212
Interest	63	1	13	1,737	5	1		1,820
Contribution from Independence County						3,000		3,000
Other					370	300		670
Transfers in					5,000			5,000
Total Receipts	<u>129,880</u>	<u>213</u>	<u>19,597</u>	<u>126,138</u>	<u>35,061</u>	<u>3,301</u>	<u>124,204</u>	<u>438,394</u>
Disbursements:								
Highways and streets	114,856							114,856
Public safety			6,601	37,823	44,158			88,582
Social services						5,990		5,990
Contribution to water and sewer							124,204	124,204
Total Disbursements	<u>114,856</u>		<u>6,601</u>	<u>37,823</u>	<u>44,158</u>	<u>5,990</u>	<u>124,204</u>	<u>333,632</u>
Cash Balance, December 31, 2022	<u>\$ 59,158</u>	<u>\$ 2,185</u>	<u>\$ 31,277</u>	<u>\$ 244,800</u>	<u>\$ 10,076</u>	<u>\$ 359</u>	<u>\$ 0</u>	<u>\$ 347,855</u>

CITY OF NEWARK, ARKANSAS  
 OTHER INFORMATION  
 FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022  
 (UNAUDITED)

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, Equipment, Special Street Maintenance, Blue Springs Cemetery, and Local Police and Fire Retirement

3. Cash balances at year-end in the custodial fund are as follows:

	December 31, 2023	December 31, 2022
Payroll	\$ 558	\$ 552

These balances represent payroll taxes that have not been transferred to the appropriate entities.

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

	December 31, 2023	December 31, 2022
Land and Buildings	\$ 1,835,190	\$ 1,835,190
Other Improvements	52,440	52,440
Equipment	877,870	874,962
Totals	\$ 2,765,500	\$ 2,762,592

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 124,204