

# **City of Knobel, Arkansas**

## **Financial and Compliance Report**

**December 31, 2022**

LEGISLATIVE JOINT AUDITING COMMITTEE

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CITY OF KNOBEL, ARKANSAS  
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# Arkansas

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Senate Vice Chair



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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 Knobel, 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 Knobel, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated June 13, 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 commentary contained in this section relates to the following officials who held office during 2022:

Mayor: Stanley Ashby (resigned January 13, 2022)  
Tim Hobbs (appointed February 10, 2022)  
Recorder/Treasurer: Marcia Woodhouse  
Fire Chief: Leonard Nees (resigned December 15, 2022)

We evaluated the City's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

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 that reads "Roger A. Norman".

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

Little Rock, Arkansas  
June 13, 2023  
LOM221522

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 422,865	\$ 199,865
Receipts:		
State aid	2,193	12,691
Federal aid		27,037
Property taxes	10,623	3,187
Franchise fees	7,956	
Sales taxes	25,511	
Interest	442	142
Donations		2,714
Other	1,920	180
Total Receipts	<u>48,645</u>	<u>45,951</u>
Disbursements:		
General government	20,895	4,557
Highways and streets		10,936
Public safety		677
Social services	563	
Debt service	3,096	
Total Disbursements	<u>24,554</u>	<u>16,170</u>
Cash Balance, December 31, 2022	<u>\$ 446,956</u>	<u>\$ 229,646</u>

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

Schedule 2

	Street	Fire Equipment and Training	Arkansas Department of Environmental Quality Grant	Disaster	Emergency	Community Center	Volunteer Fire Department	Lift Station	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 63,232	\$ 12,378	\$ 498	\$ 25,078	\$ 4,745	\$ 2,694	\$ 45,380	\$ 18,823	\$ 27,037	\$ 199,865
Receipts:										
State aid	12,691									12,691
Federal aid									27,037	27,037
Property taxes	3,187									3,187
Interest	33	12		25	5	2	46	19		142
Donations							2,714			2,714
Other							180			180
Total Receipts	<u>15,911</u>	<u>12</u>		<u>25</u>	<u>5</u>	<u>2</u>	<u>2,940</u>	<u>19</u>	<u>27,037</u>	<u>45,951</u>
Disbursements:										
General government									4,557	4,557
Highways and streets	10,936									10,936
Public safety							677			677
Total Disbursements	<u>10,936</u>						<u>677</u>		<u>4,557</u>	<u>16,170</u>
Cash Balance, December 31, 2022	<u>\$ 68,207</u>	<u>\$ 12,390</u>	<u>\$ 498</u>	<u>\$ 25,103</u>	<u>\$ 4,750</u>	<u>\$ 2,696</u>	<u>\$ 47,643</u>	<u>\$ 18,842</u>	<u>\$ 49,517</u>	<u>\$ 229,646</u>

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

Schedule 3

1. Cash balances on the Financial Schedules include demand and savings accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:  
General, Community Center, and Community Center Supply

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

	December 31, 2022
Land	\$ 29,500
Buildings	289,133
Equipment	191,813
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Total	\$ 510,446
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4. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2022
USDA Rural Development Building Loan	\$ 31,502
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5. The City received federal funding in the following amount related to COVID-19 relief:

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 27,037
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