

City of Briarcliff, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF BRIARCLIFF, ARKANSAS
TABLE OF CONTENTS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Financial and Compliance Report

	<u>Schedule</u>
2022	
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
2021	
Schedule of Financial Information (Unaudited)	3
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	4
2022 and 2021	
Other Information (Unaudited)	5

Arkansas

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Briarcliff, 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 Briarcliff, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated August 22, 2023. 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 and 2021:

Mayor: Eugene Hubka (January 1, 2021 – February 9, 2021)
Michael Keith Lewis (February 12, 2021 – December 31, 2021)
Recorder/Treasurer: Renate Schmitt
District Court Clerk: Renate Schmitt
Police Chief/Marshal: Michael Holland

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.

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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
August 22, 2023
LOM222022

CITY OF BRIARCLIFF, 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	\$ 397,096	\$ 26,982
Receipts:		
State aid	26,804	20,375
Federal aid		24,862
Property taxes	16,773	4,659
Franchise fees	2,669	
Sales taxes	83,097	
Fines, forfeitures, and costs	1,994	
Interest	863	23
Local permits and fees	1,475	
Contribution from Water and Recreational Improvement District	192,466	
Other	53,087	
Total Receipts	<u>379,228</u>	<u>49,919</u>
Disbursements:		
General government	193,772	7,202
Law enforcement	763	
Highways and streets	4,000	23,354
Recreation and culture	4,987	
Total Disbursements	<u>203,522</u>	<u>30,556</u>
Cash Balance, December 31, 2022	<u>\$ 572,802</u>	<u>\$ 46,345</u>

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

Schedule 2

	<u>Street</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2022	\$ 9,707	\$ 17,275	\$ 26,982
Receipts:			
State aid	20,375		20,375
Federal aid		24,862	24,862
Property taxes	4,659		4,659
Interest	23		23
Total Receipts	<u>25,057</u>	<u>24,862</u>	<u>49,919</u>
Disbursements:			
General government		7,202	7,202
Highways and streets	23,354		23,354
Total Disbursements	<u>23,354</u>	<u>7,202</u>	<u>30,556</u>
Cash Balance, December 31, 2022	<u>\$ 11,410</u>	<u>\$ 34,935</u>	<u>\$ 46,345</u>

CITY OF BRIARCLIFF, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2021	\$ 318,871	\$ 6,003
Receipts:		
State aid	3,839	19,453
Federal aid		24,862
Property taxes	15,866	4,262
Franchise fees	2,548	
Sales taxes	91,124	
Fines, forfeitures, and costs	235	
Interest	251	7
Local permits and fees	1,019	
Contribution from Water and Recreational Improvement District	175,159	
Other	18,126	126
Total Receipts	<u>308,167</u>	<u>48,710</u>
Disbursements:		
General government	201,080	7,587
Law enforcement	302	
Highways and streets	22,586	20,143
Recreation and culture	5,974	
Total Disbursements	<u>229,942</u>	<u>27,730</u>
Cash Balance, December 31, 2021	<u>\$ 397,096</u>	<u>\$ 26,983</u>

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

Schedule 4

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 6,003		\$ 6,003
Receipts:			
State aid	19,453		19,453
Federal aid		\$ 24,862	24,862
Property taxes	4,262		4,262
Interest	7		7
Other	126		126
Total Receipts	23,848	24,862	48,710
Disbursements:			
General government		7,587	7,587
Highways and streets	20,143		20,143
Total Disbursements	20,143	7,587	27,730
Cash Balance, December 31, 2021	\$ 9,708	\$ 17,275	\$ 26,983

CITY OF BRIARCLIFF, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
 (UNAUDITED)

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

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

	December 31, 2022	December 31, 2021
District Court	\$ 1,100	\$ 170

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, 2022	December 31, 2021
Land	\$ 24,650	\$ 24,650
Equipment	<u>220,868</u>	<u>212,386</u>
Totals	<u>\$ 245,518</u>	<u>\$ 237,036</u>

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

	December 31, 2022	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 24,862</u>	<u>\$ 24,862</u>