

Town of Bodcaw, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF BODCAW, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

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Arkansas

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Sen. John Payton
Senate Vice Chair



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House Chair
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House Vice Chair

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Bodcaw, 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 Town of Bodcaw, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated January 25, 2023. These procedures were not performed for the Water Department. Management of the Town 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: Kimberly Hernandez
Recorder/Treasurer: Martha May

We evaluated the Town'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 **Mayor** and **Recorder/Treasurer**.

Mayor and Recorder/Treasurer

In prior years, Street Fund monies of \$3,262 were used to pay the Recorder/Treasurer's salary. As of December 31, 2021, the General Fund owed the Street Fund \$1,462. A similar finding was issued in the prior two reports.

Mayor

The governing body did not adopt the budgets by ordinance or resolution, as required by Ark. Code Ann. § 14-58-202.

Recorder/Treasurer

Annual financial statements were not posted, as required by Ark. Code Ann. § 14-59-116.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local Town 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
January 25, 2023
LOM302921

TOWN OF BODCAW, 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	\$ 5,323	\$ 27,750
	<u> </u>	<u> </u>
Receipts:		
State aid	2,196	19,655
Federal aid		13,260
Property taxes	4,845	1,443
Sales taxes	15,063	
Interest	6	5
Transfers in		1,200
Total Receipts	<u>22,110</u>	<u>35,563</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	2,586	
Highways and streets		9,004
Public safety		5,231
Sanitation	15,063	
Transfers out	1,200	
Total Disbursements	<u>18,849</u>	<u>14,235</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2021	<u>\$ 8,584</u>	<u>\$ 49,078</u>

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

Schedule 2

	Street	Act 833	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 7,001	\$ 20,749		\$ 27,750
Receipts:				
State aid	11,034	8,621		19,655
Federal aid			\$ 13,260	13,260
Property taxes	1,443			1,443
Interest	5			5
Transfers in	1,200			1,200
Total Receipts	<u>13,682</u>	<u>8,621</u>	<u>13,260</u>	<u>35,563</u>
Disbursements:				
Highways and streets	9,004			9,004
Public safety		5,231		5,231
Total Disbursements	<u>9,004</u>	<u>5,231</u>		<u>14,235</u>
Cash Balance, December 31, 2021	<u>\$ 11,679</u>	<u>\$ 24,139</u>	<u>\$ 13,260</u>	<u>\$ 49,078</u>

TOWN OF BODCAW, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

Schedule 3

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

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

	<u>December 31, 2021</u>
Land	\$ 3,100
Buildings	65,000
Equipment	<u>116,270</u>
Total	<u><u>\$ 184,370</u></u>

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

	<u>December 31, 2021</u>
American Rescue Plan Act (ARPA)	<u><u>\$ 13,260</u></u>