

Town of Cale, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



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Arkansas

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Sen. Gary Stubblefield
Senate Vice Chair



Rep. Richard Womack
House Chair
Rep. Nelda Speaks
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 Cale, 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 Cale, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated December 15, 2022. 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 and 2020:

Mayor: William Worlow
Recorder/Treasurer: Janie Franklin

We evaluated the Town'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 **Mayor**.

Mayor

General Fund expenditures exceeded budgeted appropriations in 2020 by \$34,406 (109%), in noncompliance with Ark. Code Ann. § 14-58-203.

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
December 15, 2022
LOM303521

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2021	\$ 46,826	\$ 8,241
Receipts:		
State aid	9,889	6,391
Federal aid		7,148
Property taxes	3,058	895
Franchise fees	49	
Sales taxes	8,728	
Interest	23	4
Rent	3,300	
Total Receipts	<u>25,047</u>	<u>14,438</u>
Disbursements:		
General government	6,209	
Highways and streets		6,389
Public safety	7,360	
Sanitation	9,432	
Total Disbursements	<u>23,001</u>	<u>6,389</u>
Cash Balance, December 31, 2021	<u>\$ 48,872</u>	<u>\$ 16,290</u>

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

Schedule 2

	Street	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2021	\$ 8,241		\$ 8,241
Receipts:			
State aid	6,391		6,391
Federal aid		\$ 7,148	7,148
Property taxes	895		895
Interest	4		4
Total Receipts	<u>7,290</u>	<u>7,148</u>	<u>14,438</u>
Disbursements:			
Highways and streets	<u>6,389</u>		<u>6,389</u>
Cash Balance, December 31, 2021	<u>\$ 9,142</u>	<u>\$ 7,148</u>	<u>\$ 16,290</u>

TOWN OF CALE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue Fund - Street
Cash Balance, January 1, 2020	\$ 35,685	\$ 7,433
Receipts:		
State aid	62,126	5,964
Property taxes	2,621	785
Franchise fees	48	
Sales taxes	9,009	
Interest	50	6
Rent	3,393	
Total Receipts	<u>77,247</u>	<u>6,755</u>
Disbursements:		
General government	7,503	
Highways and streets		5,947
Public safety	298	
Sanitation	8,305	
Recreation and culture	50,000	
Total Disbursements	<u>66,106</u>	<u>5,947</u>
Cash Balance, December 31, 2020	<u>\$ 46,826</u>	<u>\$ 8,241</u>

TOWN OF CALE, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(UNAUDITED)

Schedule 4

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

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

	December 31, 2021	December 31, 2020
Land	\$ 500	\$ 500
Buildings	69,088	69,088
Improvements	14,065	14,065
Equipment	88,737	38,737
	<u>172,390</u>	<u>122,390</u>
Totals	<u>\$ 172,390</u>	<u>\$ 122,390</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 7,148</u>