

Town of Concord, Arkansas

Financial and Compliance Report

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF CONCORD, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Financial and Compliance Report

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Arkansas

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Sen. Gary Stubblefield
Senate Vice Chair



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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 Concord, 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 Concord, Arkansas, as of and for the years ended December 31, 2021 and 2020, and have issued our report thereon dated April 20, 2022. Management of the Town is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The finding contained in this section relates to the following officials who held office during 2021 and 2020:

Mayor: Rodney Brackett
Recorder/Treasurer: Annis Reed (resigned July 31, 2020)
Kelly Carpenter (appointed August 1, 2020)
District Court Clerk: Pamela Davis
Police Chief: William Baker (resigned January 26, 2020)
Darriel Ezell (appointed April 16, 2020)

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 office of **Mayor**.

Mayor

The Town paid a total of \$3,190 to a Council member in 2021 for mowing services, which exceeded the \$2,500 maximum the Council approved by ordinance allowing the Town to conduct business with elected officials, in noncompliance with Ark. Code Ann. § 14-42-107. Subsequently, on April 11, 2022, the Town amended the ordinance for the additional payments.

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
April 20, 2022
LOM304121

TOWN OF CONCORD, 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	\$ 46,835	\$ 62,560
Receipts:		
State aid	3,813	19,028
Federal aid	26,687	
Property taxes	11,721	1,055
Franchise fees	13,211	
Sales taxes	42,762	
Fines, forfeitures, and costs	23,810	183
Interest		27
Local permits and fees	940	
Other	4,368	68
Total Receipts	<u>127,312</u>	<u>20,361</u>
Disbursements:		
General government	25,307	
Law enforcement	56,120	
Highways and streets		3,368
Public safety	2,478	
Recreation and culture	8,933	
Total Disbursements	<u>92,838</u>	<u>3,368</u>
Cash Balance, December 31, 2021	<u>\$ 81,309</u>	<u>\$ 79,553</u>

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

Schedule 2

	Street	Court Automation	Total
Cash Balance, January 1, 2021	\$ 61,211	\$ 1,349	\$ 62,560
Receipts:			
State aid	19,028		19,028
Property taxes	1,055		1,055
Fines, forfeitures, and costs		183	183
Interest	27		27
Other	68		68
Total Receipts	<u>20,178</u>	<u>183</u>	<u>20,361</u>
Disbursements:			
Highways and streets	<u>3,368</u>		<u>3,368</u>
Cash Balance, December 31, 2021	<u><u>\$ 78,021</u></u>	<u><u>\$ 1,532</u></u>	<u><u>\$ 79,553</u></u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2020	\$ 68,605	\$ 87,325
	<u> </u>	<u> </u>
Receipts:		
State aid	3,620	18,420
Property taxes	12,924	1,164
Franchise fees	11,811	
Sales taxes	39,099	
Fines, forfeitures, and costs	29,181	355
Interest	473	61
Local permits and fees	675	
Other	3,542	60
Total Receipts	<u>101,325</u>	<u>20,060</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	50,219	
Law enforcement	66,455	
Highways and streets		44,825
Public safety	3,921	
Recreation and culture	2,500	
Total Disbursements	<u>123,095</u>	<u>44,825</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2020	<u>\$ 46,835</u>	<u>\$ 62,560</u>

TOWN OF CONCORD, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (UNAUDITED)

Schedule 4

	<u>Street</u>	<u>Court Automation</u>	<u>Total</u>
Cash Balance, January 1, 2020	\$ 86,331	\$ 994	\$ 87,325
Receipts:			
State aid	18,420		18,420
Property taxes	1,164		1,164
Fines, forfeitures, and costs		355	355
Interest	61		61
Other	60		60
Total Receipts	<u>19,705</u>	<u>355</u>	<u>20,060</u>
Disbursements:			
Highways and streets	<u>44,825</u>		<u>44,825</u>
Cash Balance, December 31, 2020	<u>\$ 61,211</u>	<u>\$ 1,349</u>	<u>\$ 62,560</u>

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

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.

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

	December 31, 2021	December 31, 2020
District Court	\$ 4,100	\$ 3,980

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, 2021	December 31, 2020
Land	\$ 22,501	\$ 22,501
Buildings	205,460	205,460
Equipment	122,742	116,685
Total	<u>\$ 350,703</u>	<u>\$ 344,646</u>

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

	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 24,137</u>