

Town of Enola, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF ENOLA, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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Arkansas

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Senate Chair
Sen. John Payton
Senate Vice Chair



Rep. Jimmy Gazaway
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

Town of Enola, 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 Enola, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated October 4, 2023. 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 2022 and 2021:

Mayor: Shane Ralston
Recorder/Treasurer: Randy Brown

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

The minutes of the governing body did not document the review of the audit report at the first regularly scheduled meeting following receipt of the report, as required by Ark. Code Ann. § 10-4-418.

Recorder/Treasurer

Town deposits totaling \$105,221 and \$77,069 were uninsured and uncollateralized on December 31, 2022 and 2021, respectively, in noncompliance with Ark. Code Ann. § 19-8-107.

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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
October 4, 2023
LOM305422

TOWN OF ENOLA, 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	\$ 125,961	\$ 201,108
Receipts:		
State aid	4,744	27,455
Federal aid		17,476
Property taxes	5,328	4,987
Franchise fees	7,632	
Sales taxes	34,880	
Interest	767	948
Other	296	
Total Receipts	<u>53,647</u>	<u>50,866</u>
Disbursements:		
General government	22,348	
Highways and streets		4,828
Health	15,750	
Recreation and culture	33,494	
Total Disbursements	<u>71,592</u>	<u>4,828</u>
Cash Balance, December 31, 2022	<u>\$ 108,016</u>	<u>\$ 247,146</u>

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

Schedule 2

	Street	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2022	\$ 183,632	\$ 17,476	\$ 201,108
Receipts:			
State aid	27,455		27,455
Federal aid		17,476	17,476
Property taxes	4,987		4,987
Interest	948		948
Total Receipts	33,390	17,476	50,866
Disbursements:			
Highways and streets	4,828		4,828
Cash Balance, December 31, 2022	\$ 212,194	\$ 34,952	\$ 247,146

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

Schedule 3

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2021	\$ 125,633	\$ 155,492
Receipts:		
State aid	5,440	27,459
Federal aid		17,476
Property taxes	4,917	4,587
Franchise fees	6,826	
Sales taxes	34,977	
Interest	490	611
Other	540	
Total Receipts	<u>53,190</u>	<u>50,133</u>
Disbursements:		
General government	23,962	
Highways and streets		4,517
Health	12,285	
Recreation and culture	16,615	
Total Disbursements	<u>52,862</u>	<u>4,517</u>
Cash Balance, December 31, 2021	<u>\$ 125,961</u>	<u>\$ 201,108</u>

TOWN OF ENOLA, 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	\$ 155,492		\$ 155,492
Receipts:			
State aid	27,459		27,459
Federal aid		\$ 17,476	17,476
Property taxes	4,587		4,587
Interest	611		611
Total Receipts	32,657	17,476	50,133
Disbursements:			
Highways and streets	4,517		4,517
Cash Balance, December 31, 2021	\$ 183,632	\$ 17,476	\$ 201,108

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

Schedule 5

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

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
Land	\$ 9,000	\$ 9,000
Buildings	35,823	35,823
Equipment	<u>75,442</u>	<u>75,442</u>
Totals	<u>\$ 120,265</u>	<u>\$ 120,265</u>

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
American Rescue Plan Act (ARPA)	<u>\$ 17,476</u>	<u>\$ 17,476</u>