

Town of Pineville, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF PINEVILLE, 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

Sen. David Wallace
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 Pineville, 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 Pineville, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated October 26, 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: Joe Stephen
Recorder/Treasurer: Candice Seay

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**.

Mayor

The governing body did not review the prior year report and accompanying comments at the first regularly scheduled meeting following receipt of the report, in noncompliance with Ark. Code Ann. § 10-4-418.

A fixed assets policy was not adopted by the governing body, as required by Ark. Code Ann. § 14-59-107.

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

A handwritten signature in cursive script, reading "Roger A. Norman".

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

Little Rock, Arkansas
October 26, 2023
LOM312822

TOWN OF PINEVILLE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 1

| | General Fund | Special Revenue Funds | Debt Service Funds |
|---------------------------------|------------------|-----------------------------|--------------------------|
| Cash Balance, January 1, 2022 | \$ 42,550 | \$ 92,555 | \$ 8,997 |
| Receipts: | | | |
| State aid | 17,038 | 13,296 | |
| Federal aid | | 23,101 | |
| Property taxes | 3,107 | 2,572 | |
| Franchise fees | 7,240 | | |
| Sales taxes | 33,985 | | |
| Interest | | 108 | 54 |
| Local permits and fees | 51,535 | | |
| Other | 1,299 | 4,743 | |
| Transfers in | | | 7,956 |
| Total Receipts | <u>114,204</u> | <u>43,820</u> | <u>8,010</u> |
| Disbursements: | | | |
| General government | 36,073 | 23 | |
| Highways and streets | | 15,808 | |
| Public safety | 39,107 | | |
| Debt service | | | 7,956 |
| Transfers out | 7,956 | | |
| Total Disbursements | <u>83,136</u> | <u>15,831</u> | <u>7,956</u> |
| Cash Balance, December 31, 2022 | <u>\$ 73,618</u> | <u>\$ 120,544</u> | <u>\$ 9,051</u> |

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

Schedule 2

| | Street | American Rescue Plan Act | Total |
|---------------------------------|------------------|--------------------------------|-------------------|
| Cash Balance, January 1, 2022 | \$ 69,447 | \$ 23,108 | \$ 92,555 |
| Receipts: | | | |
| State aid | 13,296 | | 13,296 |
| Federal aid | | 23,101 | 23,101 |
| Property taxes | 2,572 | | 2,572 |
| Interest | | 108 | 108 |
| Other | 4,743 | | 4,743 |
| Total Receipts | <u>20,611</u> | <u>23,209</u> | <u>43,820</u> |
| Disbursements: | | | |
| General government | | 23 | 23 |
| Highways and streets | 15,808 | | 15,808 |
| Total Disbursements | <u>15,808</u> | <u>23</u> | <u>15,831</u> |
| Cash Balance, December 31, 2022 | <u>\$ 74,250</u> | <u>\$ 46,294</u> | <u>\$ 120,544</u> |

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

Schedule 3

| | General Fund | Special Revenue Funds | Debt Service Fund |
|---------------------------------|------------------|-----------------------------|-------------------------|
| Cash Balance, January 1, 2021 | \$ 23,562 | \$ 75,197 | \$ 8,943 |
| Receipts: | | | |
| State aid | 17,154 | 17,932 | |
| Federal aid | | 23,101 | |
| Property taxes | 3,373 | 2,361 | |
| Franchise fees | 5,940 | | |
| Sales taxes | 30,622 | | |
| Interest | | 7 | 54 |
| Local permits and fees | 16,400 | | |
| Donations | 4,697 | | |
| Sale of equipment | 12,000 | | |
| Other | 13,236 | 137 | |
| Transfers in | | | 7,956 |
| Total Receipts | <u>103,422</u> | <u>43,538</u> | <u>8,010</u> |
| Disbursements: | | | |
| General government | 28,139 | | |
| Highways and streets | 0 | 26,180 | |
| Public safety | 44,513 | | |
| Debt service | 3,826 | | 7,956 |
| Transfers out | 7,956 | | |
| Total Disbursements | <u>84,434</u> | <u>26,180</u> | <u>7,956</u> |
| Cash Balance, December 31, 2021 | <u>\$ 42,550</u> | <u>\$ 92,555</u> | <u>\$ 8,997</u> |

TOWN OF PINEVILLE, 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 | <u>\$ 75,197</u> | | <u>\$ 75,197</u> |
| Receipts: | | | |
| State aid | 17,932 | | 17,932 |
| Federal aid | | \$ 23,101 | 23,101 |
| Property taxes | 2,361 | | 2,361 |
| Interest | | 7 | 7 |
| Other | <u>137</u> | | <u>137</u> |
| Total Receipts | <u>20,430</u> | <u>23,108</u> | <u>43,538</u> |
| Disbursements: | | | |
| Highways and streets | <u>26,180</u> | | <u>26,180</u> |
| Cash Balance, December 31, 2021 | <u><u>\$ 69,447</u></u> | <u><u>\$ 23,108</u></u> | <u><u>\$ 92,555</u></u> |

TOWN OF PINEVILLE, 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 and certificates of deposit.

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

| | December 31, 2022 | December 31, 2021 |
|-----------|----------------------|----------------------|
| Land | \$ 14,222 | \$ 14,222 |
| Buildings | 209,548 | 209,548 |
| Equipment | 851,320 | 846,168 |
| Totals | <u>\$ 1,075,090</u> | <u>\$ 1,069,938</u> |

3. Outstanding balances at year-end for long-term liabilities are as follows:

| | December 31, 2022 | December 31, 2021 |
|--------------------|----------------------|----------------------|
| Financed purchases | <u>\$ 21,411</u> | <u>\$ 28,144</u> |

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

| | December 31, 2022 | December 31, 2021 |
|---------------------------------|----------------------|----------------------|
| American Rescue Plan Act (ARPA) | <u>\$ 23,101</u> | <u>\$ 23,101</u> |