

Town of Sedgwick, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF SEDGWICK, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

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 Sedgwick, 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 Sedgwick, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated February 7, 2023. These procedures were not performed for the Water and Sewer Fund. Management of the Town is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

Mayor: Stanley Debow
Recorder/Treasurer: Krystal Debow

We evaluated the Town's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

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
February 7, 2023
LOM314621

TOWN OF SEDGWICK, 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	\$ 52,478	\$ 12,331
Receipts:		
State aid	2,504	12,750
Federal aid		17,300
Property taxes	1,317	1,011
Franchise fees	10,562	
Sales taxes	15,482	
Interest	73	22
Local permits and fees	1,620	
Contributions from water and sewer	8,460	
Total Receipts	<u>40,018</u>	<u>31,083</u>
Disbursements:		
General government	35,891	
Highways and streets		8,112
Contributions to sewer department		1,528
Total Disbursements	<u>35,891</u>	<u>9,640</u>
Cash Balance, December 31, 2021	<u><u>\$ 56,605</u></u>	<u><u>\$ 33,774</u></u>

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

Schedule 2

	<u>Street</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2021	<u>\$ 12,331</u>		<u>\$ 12,331</u>
Receipts:			
State aid	12,750		12,750
Federal aid		\$ 17,300	17,300
Property taxes	1,011		1,011
Interest	<u>22</u>		<u>22</u>
Total Receipts	<u>13,783</u>	<u>17,300</u>	<u>31,083</u>
Disbursements:			
Highways and streets	8,112		8,112
Contributions to sewer department		1,528	1,528
Total Disbursements	<u>8,112</u>	<u>1,528</u>	<u>9,640</u>
Cash Balance, December 31, 2021	<u><u>\$ 18,002</u></u>	<u><u>\$ 15,772</u></u>	<u><u>\$ 33,774</u></u>

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

Schedule 3

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

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

	<u>December 31, 2021</u>
Land	\$ 1,200
Buildings	35,938
Equipment	<u>65,100</u>
Total	<u><u>\$ 102,238</u></u>

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

	<u>December 31, 2021</u>
American Rescue Plan Act (ARPA)	<u><u>\$ 17,300</u></u>