

Town of Sherrill, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF SHERRILL, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2022

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Arkansas

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Sen. John Payton
Senate Vice Chair



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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 Sherrill, 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 Sherrill, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated September 27, 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:

Mayor: Jody Campbell
Recorder/Treasurer: Mauricene Blackwell

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 the **Mayor**.

Mayor

Street Fund expenditures exceeded budgeted appropriations by \$72,749 (397%), 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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
September 27, 2023
LOM314722

TOWN OF SHERRILL, 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	\$ 103,197	\$ 160,328
Receipts:		
State aid	791	11,404
Property taxes	2,464	
Franchise fees	3,352	
Sales taxes	22,374	856
Interest	432	292
Local permits and fees		524
Contributions from Jefferson County		31,741
Sale of equipment		4,000
Donations		18,454
Other		210
Transfers in		84,780
Total Receipts	<u>29,413</u>	<u>152,261</u>
Disbursements:		
General government	25,250	
Highways and streets		9,487
Public safety		124,588
Transfers out	3,180	81,600
Total Disbursements	<u>28,430</u>	<u>215,675</u>
Cash Balance, December 31, 2022	<u>\$ 104,180</u>	<u>\$ 96,914</u>

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

Schedule 2

	Street	Fire Department Act 833	Volunteer Fire Department #2	Total
Cash Balance, January 1, 2022	\$ 124,862	\$ 35,466		\$ 160,328
Receipts:				
State aid	4,576	6,828		11,404
Sales taxes		856		856
Interest	242	50		292
Local permits and fees			\$ 524	524
Contributions from Jefferson County		25,750	5,991	31,741
Sale of equipment		4,000		4,000
Donations			18,454	18,454
Other		50	160	210
Transfers in	3,180	81,600		84,780
Total Receipts	<u>7,998</u>	<u>119,134</u>	<u>25,129</u>	<u>152,261</u>
Disbursements:				
Highways and streets	9,487			9,487
Public safety		107,692	16,896	124,588
Transfers out	81,600			81,600
Total Disbursements	<u>91,087</u>	<u>107,692</u>	<u>16,896</u>	<u>215,675</u>
Cash Balance, December 31, 2022	<u>\$ 41,773</u>	<u>\$ 46,908</u>	<u>\$ 8,233</u>	<u>\$ 96,914</u>

TOWN OF SHERRILL, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

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

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

	<u>December 31,</u> <u>2022</u>
Land & Buildings	\$ 107,763
Equipment	<u>147,814</u>
Total	<u>\$ 255,577</u>

3. Street Fund transferred \$81,600 of 1% sales tax designed for improvement of municipal services to the Fire Department Act 833 Fund for the purchase of a fire truck.