

Town of Success, Arkansas

Financial and Compliance Report

December 31, 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF SUCCESS, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2021

Financial and Compliance Report

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Arkansas

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Senate Vice Chair



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House Chair
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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 Success, 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 Success, Arkansas, as of and for the year ended December 31, 2021, and have issued our report thereon dated April 6, 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 findings contained in this section relate to the following officials who held office during 2021:

Mayor: Shelia Wheeler (resigned August 11, 2021)
Ryan Spears (appointed August 12, 2021)
Recorder/Treasurer: Shelia Wheeler

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

General and Street Fund expenditures exceeded budgeted appropriations by \$5,363 (13%) and \$26,631 (430%), respectively, 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

A handwritten signature in cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
April 6, 2023
LOM315621

TOWN OF SUCCESS, 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	\$ 5,854	\$ 130,647
Receipts:		
State aid	2,276	23,848
Federal aid		13,778
Property taxes	2,665	799
Franchise fees	5,248	
Sales taxes	20,396	
Interest	19	154
Local permits and fees		1,040
Rent	7,231	
Donations		6,565
Property damage reimbursement	3,950	
Other	520	20
Total Receipts	<u>42,305</u>	<u>46,204</u>
Disbursements:		
General government	47,063	36
Highways and streets		32,831
Public safety		11,360
Total Disbursements	<u>47,063</u>	<u>44,227</u>
Cash Balance, December 31, 2021	<u>\$ 1,096</u>	<u>\$ 132,624</u>

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

Schedule 2

	Street	Fire Department	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 76,639	\$ 54,008		\$ 130,647
Receipts:				
State aid	11,258	12,590		23,848
Federal aid			\$ 13,778	13,778
Property taxes	799			799
Interest	89	65		154
Local permits and fees		1,040		1,040
Donations		6,565		6,565
Other	20			20
Total Receipts	<u>12,166</u>	<u>20,260</u>	<u>13,778</u>	<u>46,204</u>
Disbursements:				
General government			36	36
Highways and streets	32,831			32,831
Public safety		11,360		11,360
Total Disbursements	<u>32,831</u>	<u>11,360</u>	<u>36</u>	<u>44,227</u>
Cash Balance, December 31, 2021	<u>\$ 55,974</u>	<u>\$ 62,908</u>	<u>\$ 13,742</u>	<u>\$ 132,624</u>

TOWN OF SUCCESS, 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,</u> <u>2021</u>
Land	\$ 13,658
Buildings	153,729
Equipment	<u>144,760</u>
Total	<u>\$ 312,147</u>

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

	<u>December 31,</u> <u>2021</u>
American Rescue Plan Act (ARPA)	<u>\$ 13,778</u>