

Town of West Point, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF WEST POINT, 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 West Point, 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 West Point, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated May 1, 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 relates to the following officials who held office during 2022 and 2021:

Mayor: Ronald Faith
Recorder/Treasurer: Christy Pantel (January 1, 2022 – December 31, 2022)
Marie Falcinelli (January 1, 2021 – December 31, 2021)

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

The governing body did not review the prior report at the next scheduled council meeting after receiving the report, and meeting minutes did not adequately document the review of recommendations and actions to be taken, as required by Ark. Code Ann. § 10-4-418. A finding similar to this was issued in the previous report.

The 2022 and 2021 budgets were not adopted by ordinance or resolution, as required by Ark. Code Ann. § 14-58-202. A finding similar to this was issued in the previous 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
May 1, 2023
LOM317122

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

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 180,460	\$ 244,870
Receipts:		
State aid	2,536	14,677
Property taxes	2,598	857
Franchise fees	6,344	
Sales taxes	32,540	
Fines, forfeitures, and costs		75
Interest	135	191
Contributions from county		120,887
Sale of equipment	15,000	
Other	162	5,307
Total Receipts	<u>59,315</u>	<u>141,994</u>
Disbursements:		
General government	36,021	
Law enforcement	2,676	
Highways and streets		16,254
Public safety		122,003
Cemetery		2,682
Total Disbursements	<u>38,697</u>	<u>140,939</u>
Cash Balance, December 31, 2022	<u>\$ 201,078</u>	<u>\$ 245,925</u>

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

Schedule 2

	Street	Cemetery	Police Department	Fire Department	Office of Emergency Services - Act 833	Total
Cash Balance, January 1, 2022	\$ 29,756	\$ 28,227	\$ 225	\$ 184,380	\$ 2,282	\$ 244,870
Receipts:						
State aid	14,677					14,677
Property taxes	857					857
Fines, forfeitures, and costs			75			75
Interest	22	22		147		191
Contributions from county				120,887		120,887
Other		4,895		412		5,307
Total Receipts	<u>15,556</u>	<u>4,917</u>	<u>75</u>	<u>121,446</u>		<u>141,994</u>
Disbursements:						
Highways and streets	16,254					16,254
Public safety				122,003		122,003
Cemetery		2,682				2,682
Total Disbursements	<u>16,254</u>	<u>2,682</u>		<u>122,003</u>		<u>140,939</u>
Cash Balance, December 31, 2022	<u>\$ 29,058</u>	<u>\$ 30,462</u>	<u>\$ 300</u>	<u>\$ 183,823</u>	<u>\$ 2,282</u>	<u>\$ 245,925</u>

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2021	\$ 198,516	\$ 130,593
Receipts:		
State aid	2,966	14,948
Property taxes	2,476	820
Franchise fees	5,932	
Sales taxes	32,511	
Fines, forfeitures, and costs		2,235
Interest	128	119
Contributions from county		112,971
Other	61	3,710
Transfers in		25,000
Total Receipts	<u>44,074</u>	<u>159,803</u>
Disbursements:		
General government	35,305	
Law enforcement	1,655	2,040
Highways and streets		16,274
Public safety	170	18,315
Cemetery		8,897
Transfers out	25,000	
Total Disbursements	<u>62,130</u>	<u>45,526</u>
Cash Balance, December 31, 2021	<u>\$ 180,460</u>	<u>\$ 244,870</u>

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

Schedule 4

	Street	Cemetery	Police Department	Fire Department	Office of Emergency Services - Act 833	Total
Cash Balance, January 1, 2021	\$ 30,240	\$ 8,503	\$ 30	\$ 89,538	\$ 2,282	\$ 130,593
Receipts:						
State aid	14,948					14,948
Property taxes	820					820
Fines, forfeitures, and costs			2,235			2,235
Interest	22	11		86		119
Contributions from county				112,971		112,971
Other		3,610		100		3,710
Transfers in		25,000				25,000
Total Receipts	<u>15,790</u>	<u>28,621</u>	<u>2,235</u>	<u>113,157</u>		<u>159,803</u>
Disbursements:						
Law enforcement			2,040			2,040
Highways and streets	16,274					16,274
Public safety				18,315		18,315
Cemetery		8,897				8,897
Total Disbursements	<u>16,274</u>	<u>8,897</u>	<u>2,040</u>	<u>18,315</u>		<u>45,526</u>
Cash Balance, December 31, 2021	<u>\$ 29,756</u>	<u>\$ 28,227</u>	<u>\$ 225</u>	<u>\$ 184,380</u>	<u>\$ 2,282</u>	<u>\$ 244,870</u>

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

Schedule 5

1. Cash balances on the Financial Schedules include demand and savings accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General and Money Market
3. The Municipality's capital assets records are summarized below:

	December 31, 2022	December 31, 2021
	<u> </u>	<u> </u>
Land	\$ 96,063	\$ 96,063
Buildings	224,745	224,745
Equipment	<u>533,467</u>	<u>456,954</u>
Totals	<u><u>\$ 854,275</u></u>	<u><u>\$ 777,762</u></u>