

Town of Williford, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF WILLIFORD, ARKANSAS
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Arkansas



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Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Williford, 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 Williford, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated October 23, 2023. These procedures were not performed for the Water Department. 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: Brandon Bettis
Recorder/Treasurer: Phillip Allan

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 **Recorder/Treasurer**.

Recorder/Treasurer

1. A listing of fixed assets was established but did not include all additions, deletions, nor totals by major category, as required by Ark. Code Ann § 14-59-107. A similar finding was noted in the previous four reports dating back to 2012.
2. The following issues were noted regarding the Town's receipting process, in noncompliance with Ark. Code Ann. § 14-59-109:
 - Receipts were not issued intact or properly completed.
 - Receipts were not deposited in a timely manner.
 - Receipt numbers were not identified on deposit slips.
 - Prenumbered receipts were not issued for all funds received.

A similar finding was noted in the previous three reports dating back to 2014.

3. The following issues were noted during our examination of payroll:
 - Individual payroll records were not maintained.
 - Timesheets or other payroll documentation were not provided.
 - Internal Revenue Service (IRS) Forms W-2 were provided but IRS Form W-3 was not available for 2022. The 2022 IRS W-2 Forms were submitted on 2021 IRS W-2 Forms.
 - Department of Finance Forms AR3 forms were not available.
 - IRS Forms 944 were not filed.
 - Amounts paid to employees and withholdings could not be reconciled to IRS W-2 Forms provided.

A similar finding was noted in the previous three reports dating back to 2014.

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



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

Little Rock, Arkansas
October 23, 2023
LOM317622

TOWN OF WILLIFORD, 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	\$ 75,896	\$ 114,087
Receipts:		
State aid	1,179	14,983
Federal aid		68,287
Property taxes	2,356	5,971
Franchise fees	1,867	1,891
Sales taxes	14,359	
Interest	134	181
Other		4,549
Total Receipts	19,895	95,862
Disbursements:		
General government	7,907	
Highways and streets		2,743
Public safety		60,012
Recreation and culture		161
Total Disbursements	7,907	62,916
Cash Balance, December 31, 2022	\$ 87,884	\$ 147,033

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

Schedule 2

	Street	Fire Department	Library	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 61,386	\$ 40,283	\$ 4,131	\$ 8,287	\$ 114,087
Receipts:					
State aid	6,821	8,162			14,983
Federal aid				68,287	68,287
Property taxes	723	5,248			5,971
Franchise fees		1,891			1,891
Interest	103	66	8	4	181
Other		4,549			4,549
Total Receipts	<u>7,647</u>	<u>19,916</u>	<u>8</u>	<u>68,291</u>	<u>95,862</u>
Disbursements:					
Highways and streets	2,743				2,743
Public safety		17,898		42,114	60,012
Recreation and culture			161		161
Total Disbursements	<u>2,743</u>	<u>17,898</u>	<u>161</u>	<u>42,114</u>	<u>62,916</u>
Cash Balance, December 31, 2022	<u>\$ 66,290</u>	<u>\$ 42,301</u>	<u>\$ 3,978</u>	<u>\$ 34,464</u>	<u>\$ 147,033</u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2021	\$ 73,735	\$ 99,256
Receipts:		
State aid	1,232	11,935
Federal aid		8,287
Property taxes	1,623	657
Franchise fees	2,523	856
Sales taxes	12,458	
Interest	105	105
Local permits and fees		4,246
Other		9,294
Total Receipts	<u>17,941</u>	<u>35,380</u>
Disbursements:		
General government	15,256	
Law enforcement	524	
Highways and streets		2,000
Public safety		17,166
Recreation and culture		1,383
Total Disbursements	<u>15,780</u>	<u>20,549</u>
Cash Balance, December 31, 2021	<u>\$ 75,896</u>	<u>\$ 114,087</u>

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

Schedule 4

	Street	Fire Department	Library	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	\$ 56,374	\$ 37,377	\$ 5,505		\$ 99,256
Receipts:					
State aid	6,263	5,672			11,935
Federal aid				\$ 8,287	8,287
Property taxes	657				657
Franchise fees		856			856
Interest	92	4	9		105
Local permits and fees		4,246			4,246
Other		9,294			9,294
Total Receipts	<u>7,012</u>	<u>20,072</u>	<u>9</u>	<u>8,287</u>	<u>35,380</u>
Disbursements:					
Highways and streets	2,000				2,000
Public safety		17,166			17,166
Recreation and culture			1,383		1,383
Total Disbursements	<u>2,000</u>	<u>17,166</u>	<u>1,383</u>		<u>20,549</u>
Cash Balance, December 31, 2021	<u>\$ 61,386</u>	<u>\$ 40,283</u>	<u>\$ 4,131</u>	<u>\$ 8,287</u>	<u>\$ 114,087</u>

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

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	\$ 23,100	\$ 23,100
Buildings	447,643	447,643
Equipment	238,278	199,978
Totals	\$ 709,021	\$ 670,721

3. 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)	\$ 8,287	\$ 8,287
American Rescue Plan Act (passed though from Sharp County)	60,000	
Totals	\$ 68,287	\$ 8,287