

Town of Bellefonte, Arkansas

Financial and Compliance Report

December 31, 2018, 2017, and 2016

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF BELLEFONTE, ARKANSAS
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Arkansas



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Sen. Eddie Cheatham
Senate Vice Chair

Rep. Richard Womack
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 Bellefonte, 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 Bellefonte, Arkansas, as of and for the years ended December 31, 2018, 2017, and 2016, and have issued our report thereon dated April 30, 2019. 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 2018, 2017, and 2016:

Mayor: James Wiggs (Resigned August 2, 2016)
Joe Hefley (Appointed November 3, 2016)
Recorder/Treasurer: Nina Williams

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

1. In 2018, total Street Fund disbursements exceeded budgeted appropriations by \$118,909 (643%), in noncompliance with Ark. Code Ann. § 14-58-203.
2. An audit or agreed upon procedures and compilation report was not obtained for the Bellefonte Water Department, in accordance with Ark. Code Ann. § 14-234-119.

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
April 30, 2019
LOM301618

TOWN OF BELLEFONTE, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2018
 (UNAUDITED)

Schedule 1

	General Fund	Special Revenue Fund (Street)
Cash Balance, January 1, 2018	\$ 1,213,665	\$ 179,014
Receipts:		
State aid	7,191	31,798
Property taxes	11,854	2,496
Franchise fees	17,509	
Sales taxes	74,112	
Interest	14,093	429
Other	20	
Total Receipts	124,779	34,723
Disbursements:		
General government	59,487	
Highways and streets		137,409
Total Disbursements	59,487	137,409
Cash Balance, December 31, 2018	\$ 1,278,957	\$ 76,328

TOWN OF BELLEFONTE, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2017
 (UNAUDITED)

Schedule 2

	<u>General Fund</u>	<u>Special Revenue Fund (Street)</u>
Cash Balance, January 1, 2017	<u>\$ 1,154,796</u>	<u>\$ 154,328</u>
Receipts:		
State aid	7,200	31,231
Property taxes	11,386	2,398
Franchise fees	16,073	
Sales taxes	70,906	
Interest	12,358	584
Local permits and fees	160	
Other	1,629	
Total Receipts	<u>119,712</u>	<u>34,213</u>
Disbursements:		
General government	60,843	
Highways and streets		9,527
Total Disbursements	<u>60,843</u>	<u>9,527</u>
Cash Balance, December 31, 2017	<u><u>\$ 1,213,665</u></u>	<u><u>\$ 179,014</u></u>

TOWN OF BELLEFONTE, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2016
 (UNAUDITED)

Schedule 3

	<u>General Fund</u>	<u>Special Revenue Fund (Street)</u>
Cash Balance, January 1, 2016	<u>\$ 1,092,232</u>	<u>\$ 130,311</u>
Receipts:		
State aid	7,251	29,990
Property taxes	10,789	2,167
Franchise fees	18,009	
Sales taxes	68,677	
Interest	11,823	556
Local permits and fees	40	
Other	335	
Total Receipts	<u>116,924</u>	<u>32,713</u>
Disbursements:		
General government	54,360	
Highways and streets		8,696
Total Disbursements	<u>54,360</u>	<u>8,696</u>
Cash Balance, December 31, 2016	<u><u>\$ 1,154,796</u></u>	<u><u>\$ 154,328</u></u>

TOWN OF BELLEFONTE, ARKANSAS
 OTHER INFORMATION
 FOR THE YEARS ENDED DECEMBER 31, 2018, 2017, AND 2016
 (UNAUDITED)

Schedule 4

1. Cash balances on the Financial Schedules include demand and savings accounts and certificates of deposit.
2. The Municipality's fixed asset records are summarized below:

	December 31, 2018	December 31, 2017	December 31, 2016
Land	\$ 4,000	\$ 4,000	\$ 4,000
Buildings	183,949	183,949	183,949
Equipment	95,000	95,000	95,000
Totals	\$ 282,949	\$ 282,949	\$ 282,949

The Municipality's fixed asset records did not contain cost amounts for donated land.