

**Town of Cale, Arkansas**

**Financial and Compliance Report**

**December 31, 2017**

LEGISLATIVE JOINT AUDITING COMMITTEE

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FOR THE YEAR ENDED DECEMBER 31, 2017

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# Arkansas

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**Sen. Lance Eads**  
Senate Vice Chair



**Rep. Richard Womack**  
House Chair  
**Rep. Mary Bentley**  
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 Cale, 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 Cale, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated September 18, 2018. 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 2017:

Mayor: William Worlow  
Recorder/Treasurer: Janie Franklin

We evaluated the Town's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

Our procedures indicated that the above office of **Recorder/Treasurer** was in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the office of **Mayor**.

### Mayor

The Town purchased a brush truck from an alderman for \$15,000, paid the alderman \$500 for labor to replace the bed on the truck, and sold a different brush truck to this alderman for \$300. The Council did not pass an authorizing ordinance for any of these transactions, in noncompliance with Ark. Code Ann. § 14-42-107.

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  
Legislative Auditor

Little Rock, Arkansas  
September 18, 2018  
LOM303517

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

Schedule 1

	General Fund	Special Revenue Fund - Street
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2017	\$ 39,458	\$ 5,664
Receipts:		
State aid	16,760	5,435
Property taxes	2,550	708
Franchise fees	45	
Sales taxes	7,791	
Interest	48	9
Rent	3,620	
Other	329	229
Total Receipts	<u>31,143</u>	<u>6,381</u>
Disbursements:		
General government	16,464	
Highways and streets		5,835
Public safety	18,821	
Sanitation	4,191	
Total Disbursements	<u>39,476</u>	<u>5,835</u>
Cash Balance, December 31, 2017	<u>\$ 31,125</u>	<u>\$ 6,210</u>

TOWN OF CALE, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

Schedule 2

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

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

	<u>December 31, 2017</u>
Land	\$ 500
Buildings	69,088
Improvements	14,065
Equipment	<u>38,737</u>
Total	<u>\$ 122,390</u>