

City of Biscoe, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF BISCOE, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Other Information (Unaudited)	3

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Senate Vice Chair



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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Biscoe, 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 City of Biscoe, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated August 23, 2023. These procedures were not performed for the Water and Sewer Funds. Management of the City is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The commentary contained in this section relates to the following officials who held office during 2022:

Mayor: Kent Smith
Recorder/Treasurer: Carla Smith
District Court Clerk: Sissy Reinhart

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

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local City 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
August 23, 2023
LOM201122

CITY OF BISCOE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2022	\$ 27,314	\$ 77,038
Receipts:		
State aid	4,550	35,532
Federal aid		36,153
Property taxes	10,318	2,600
Franchise fees	12,853	
Sales taxes	33,956	11,193
Interest	76	53
Local permits and fees		1,829
Donations		560
Reimbursement law enforcement	7,830	
Lawsuit settlement proceeds	49,230	85,106
Other	704	476
Transfers in		85
Total Receipts	<u>119,517</u>	<u>173,587</u>
Disbursements:		
General government	60,613	
Law enforcement	4,995	
Highways and streets		40,810
Public safety		59,146
Wastewater		53,950
Debt service		3,071
Transfers out	85	
Total Disbursements	<u>65,693</u>	<u>156,977</u>
Cash Balance, December 31, 2022	<u>\$ 81,138</u>	<u>\$ 93,648</u>

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

Schedule 2

	Street	Fire Department	Criminal Justice	Court Automation	Fire Department Grant	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 20,723	\$ 6,131	\$ 1,886	\$ 260	\$ 11,885	\$ 36,153	\$ 77,038
Receipts:							
State aid	26,333				9,199		35,532
Federal aid						36,153	36,153
Property taxes	2,600						2,600
Sales taxes		11,193					11,193
Interest	11	39	3				53
Local permits and fees		1,829					1,829
Donations		560					560
Lawsuit settlement proceeds		85,106					85,106
Other	476						476
Transfers in	85						85
Total Receipts	<u>29,505</u>	<u>98,727</u>	<u>3</u>		<u>9,199</u>	<u>36,153</u>	<u>173,587</u>
Disbursements:							
Highways and streets	40,810						40,810
Public safety		52,268			6,878		59,146
Water and sewer						53,950	53,950
Debt service	3,071						3,071
Total Disbursements	<u>43,881</u>	<u>52,268</u>			<u>6,878</u>	<u>53,950</u>	<u>156,977</u>
Cash Balance, December 31, 2022	<u>\$ 6,347</u>	<u>\$ 52,590</u>	<u>\$ 1,889</u>	<u>\$ 260</u>	<u>\$ 14,206</u>	<u>\$ 18,356</u>	<u>\$ 93,648</u>

CITY OF BISCOE, ARKANSAS
 OTHER INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2022
 (UNAUDITED)

Schedule 3

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

2. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2022
District Court	1,926
Administration of Justice	1

These balances represent fines, forfeitures, and costs that have not been transferred to the appropriate entities.

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

	December 31, 2022
Land	\$ 8,832
Buildings	231,142
Equipment	326,085
Total	\$ 566,059

4. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2022
Financed purchases	\$ 7,530

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

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 36,153