

**City of Goshen, Arkansas**

**Financial and Compliance Report**

**December 31, 2022 and 2021**

LEGISLATIVE JOINT AUDITING COMMITTEE

---



CITY OF GOSHEN, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

Financial and Compliance Report

Schedule

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

City of Goshen, 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 Goshen, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated April 19, 2023. Management of the City 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: Max Poye  
Recorder: Linda Moore (resigned January 1, 2021)  
Allison DeJarnette (January 28, 2021 to August 25, 2021)  
Michael Thompson (November 9, 2021 to December 12, 2022)  
Treasurer: Linda Moore (resigned January 1, 2021)  
Allison DeJarnette (January 28, 2021 to August 25, 2021)  
Michael Thompson (November 9, 2021 to December 12, 2022)  
Recorder/Treasurer: Michael Thompson (December 13, 2022 to December 31, 2022)  
Police Chief: Mike Ball (resigned February 8, 2021)  
Jason Travis (appointed February 9, 2021)  
Office Manager: Lora Nanak

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.

Noncompliance with state law and accepted accounting practices was noted in the office of **Office Manager**.

#### Office Manager

1. Internal Revenue Service (IRS) Form 941 forms for the year 2021 were not provided for inspection, as required by Ark. Code Ann. § 14-59-114. In addition, fourth quarter Internal Revenue Service (IRS) Form 941 was not submitted in a timely manner.
2. The following issues were noted concerning the City's 2022 and 2021 General Fund money market account :
  - Disbursements were not made by prenumbered check and did not contain the signature of two authorized disbursing officers of the city, as required by Ark. Code Ann. § 14-59-105.
  - Prenumbered receipts were not issued for all funds received, as required by Ark Code Ann. § 14-59-109.
  - Cash receipts and disbursements journals were not properly established, as required by Ark. Code Ann. §§ 14-59-110, -111.

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

A handwritten signature in dark ink, appearing to read "Roger A. Norman". The signature is fluid and cursive, with a long horizontal stroke at the end.

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

Little Rock, Arkansas  
April 19, 2023  
LOM222422

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

Schedule 1

	General Fund	Special Revenue Funds	Capital Projects Fund (Arkansas Fun Park Grant)
Cash Balance, January 1, 2022	\$ 1,360,487	\$ 429,161	
Receipts:			
State aid	53,948	181,480	\$ 75,000
Federal aid	17,205	201,068	
Property taxes	186,608	34,208	
Franchise fees	105,200		
Sales taxes	949,769		
Fines, forfeitures, and costs	11,313	380	
Interest	8,342	2,123	22
Local permits and fees	65,231		
Other	2,893	10	
Transfers in	641		
Total Receipts	<u>1,401,150</u>	<u>419,269</u>	<u>75,022</u>
Disbursements:			
General government	734,171	21,902	
Law enforcement	240,361	224,163	
Highways and streets		12,493	
Recreation and culture	57,223		
Transfers out		641	
Total Disbursements	<u>1,031,755</u>	<u>259,199</u>	
Cash Balance, December 31, 2022	<u>\$ 1,729,882</u>	<u>\$ 589,231</u>	<u>\$ 75,022</u>

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

Schedule 2

	Street	Act 988	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 211,803	\$ 16,150	\$ 201,208	\$ 429,161
Receipts:				
State aid	181,480			181,480
Federal aid			201,068	201,068
Property taxes	34,208			34,208
Fines, forfeitures, and costs		380		380
Interest	1,583	37	503	2,123
Other			10	10
Total Receipts	<u>217,271</u>	<u>417</u>	<u>201,581</u>	<u>419,269</u>
Disbursements:				
General government			21,902	21,902
Law enforcement		13,262	210,901	224,163
Highways and streets	12,493			12,493
Transfers out			641	641
Total Disbursements	<u>12,493</u>	<u>13,262</u>	<u>233,444</u>	<u>259,199</u>
Cash Balance, December 31, 2022	<u>\$ 416,581</u>	<u>\$ 3,305</u>	<u>\$ 169,345</u>	<u>\$ 589,231</u>

CITY OF GOSHEN, 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	\$ 1,403,835	\$ 79,449
Receipts:		
State aid	20,406	108,982
Federal aid	4,448	201,070
Property taxes	185,441	33,616
Franchise fees	90,914	
Sales taxes	705,737	
Fines, forfeitures, and costs		13,863
Interest	11,660	1,268
Local permits and fees	69,954	
Other	19,062	
Transfers in		2,276
Total Receipts	<u>1,107,622</u>	<u>361,075</u>
Disbursements:		
General government	776,999	
Law enforcement	334,114	
Highways and streets		11,363
Recreation and culture	37,581	
Transfers out	2,276	
Total Disbursements	<u>1,150,970</u>	<u>11,363</u>
Cash Balance, December 31, 2021	<u>\$ 1,360,487</u>	<u>\$ 429,161</u>

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

Schedule 4

	Street	Act 988	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	<u>\$ 79,449</u>			<u>\$ 79,449</u>
Receipts:				
State aid	108,982			108,982
Federal aid			\$ 201,070	201,070
Property taxes	33,616			33,616
Fines, forfeitures, and costs		\$ 13,863		13,863
Interest	1,119	11	138	1,268
Transfers in		2,276		2,276
Total Receipts	<u>143,717</u>	<u>16,150</u>	<u>201,208</u>	<u>361,075</u>
Disbursements:				
Highways and streets	<u>11,363</u>			<u>11,363</u>
Cash Balance, December 31, 2021	<u><u>\$ 211,803</u></u>	<u><u>\$ 16,150</u></u>	<u><u>\$ 201,208</u></u>	<u><u>\$ 429,161</u></u>



CITY OF GOSHEN, 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 money market accounts and certificates of deposit.

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

	December 31, 2022	December 31, 2021
Land	\$ 779,331	\$ 453,283
Buildings and improvements	272,345	255,834
Equipment	467,258	438,836
Totals	<u>\$ 1,518,934</u>	<u>\$ 1,147,953</u>

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

	December 31, 2022	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 201,068</u>	<u>\$ 201,070</u>