

City of Holiday Island, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



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

Financial and Compliance Report

	<u>Schedule</u>
2022	
Schedule of Financial Information (Unaudited)	1
2021	
Schedule of Financial Information (Unaudited)	2
2022 and 2021	
Other Information (Unaudited)	3

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 Holiday Island, 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 Holiday Island, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated March 8, 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: Dan Kees
Recorder/Treasurer: Wesley Stille

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 offices of **Mayor** and **Recorder/Treasurer**.

Mayor

A fixed asset listing was established, but did not include serial numbers or identification numbers, when applicable, nor was a fixed assets policy adopted by the governing body, as required by Ark. Code Ann. § 14-59-107.

Recorder/Treasurer

Prenumbered receipts were not issued for all funds received, as required by Ark. Code Ann. § 14-59-109.

Other Issues

An unauthorized withdrawal of \$3,897 was made from the City's bank account on November 17, 2022. City personnel discovered the unauthorized withdrawal upon reconciliation of the affected bank account, and the funds were recovered from the bank.

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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
March 8, 2023
LOM223822

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

Schedule 1

	General Fund	Special Revenue Fund (Street)
Cash Balance, January 1, 2022	\$ 109,248	\$ 145,423
Receipts:		
State aid	35,789	207,122
Property taxes	2,098	140,955
Sales taxes	253,149	
Local permits and fees	13,700	
Other	352	
Total Receipts	<u>305,088</u>	<u>348,077</u>
Disbursements:		
General government	90,444	
Highways and streets		326,887
Public safety	56,037	
Total Disbursements	<u>146,481</u>	<u>326,887</u>
Cash Balance, December 31, 2022	<u>\$ 267,855</u>	<u>\$ 166,613</u>

CITY OF HOLIDAY ISLAND, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

Schedule 2

	General Fund	Special Revenue Fund (Street)
Cash Balance, January 1, 2021		
Receipts:		
State aid	\$ 28,723	\$ 145,323
Sales taxes	182,904	
Other	3,338	100
Total Receipts	<u>214,965</u>	<u>145,423</u>
Disbursements:		
General government	57,717	
Highways and streets	2,000	
Public safety	46,000	
Total Disbursements	<u>105,717</u>	
Cash Balance, December 31, 2021	<u><u>\$ 109,248</u></u>	<u><u>\$ 145,423</u></u>

CITY OF HOLIDAY ISLAND, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.
2. The General Fund column on the Financial Schedules includes the following bank accounts:
General Fund and General Reserve Fund.
3. The Municipality's capital assets records are summarized below:

	December 31, 2022	December 31, 2021
Equipment	\$ 21,364	\$ 16,322