

Town of Black Springs, Arkansas

Financial and Compliance Report

December 31, 2022

***Including Financial Information
For
December 31, 2021 and 2020***

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF BLACK SPRINGS, ARKANSAS
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Arkansas

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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

Town of Black Springs, 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 Black Springs, Arkansas, as of and for the years ended December 31, 2022. Additionally, we requested certain cash basis information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the years ended December 31, 2021, and 2020, and have issued our report thereon dated July 6, 2023. 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 2022, 2021, and 2020:

Mayor: Terry Foshee
Recorder/Treasurer: Becky Lewis (January 1, 2020 - September 23, 2020)
Linda Gaston (Appointed October 13, 2020)

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

Mayor

The minutes of the governing body did not document the review of the findings and recommendations and the action taken by the governing body for the prior report, as required by Ark. Code Ann. § 10-4-418.

Recorder/Treasurer

Bank reconciliations were not approved by a municipal official or employee, other than the person preparing the bank reconciliation, in noncompliance with Ark. Code Ann. § 14-59-108. A similar finding was noted in the two previous reports.

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

A handwritten signature in cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
July 6, 2023
LOM302522

TOWN OF BLACK SPRINGS, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue (Street Fund)
Cash Balance, January 1, 2022	\$ 12,543	\$ 27,155
Receipts:		
State aid	1,432	8,288
Property taxes	2,334	703
Sales taxes	11,973	
Other	44	
Total Receipts	<u>15,783</u>	<u>8,991</u>
Disbursements:		
General government	11,329	
Sanitation	854	
Total Disbursements	<u>12,183</u>	
Cash Balance, December 31, 2022	<u>\$ 16,143</u>	<u>\$ 36,146</u>

TOWN OF BLACK SPRINGS, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(UNAUDITED)

Schedule 2

	General Fund	Special Revenue (Street Fund)
Cash Balance, January 1, 2021	\$ 6,357	\$ 29,353
Receipts:		
State aid	1,602	8,100
Property taxes	2,179	652
Sales taxes	10,707	
Other	45	
Total Receipts	<u>14,533</u>	<u>8,752</u>
Disbursements:		
General government	7,540	
Highways and streets		10,950
Sanitation	807	
Total Disbursements	<u>8,347</u>	<u>10,950</u>
Cash Balance, December 31, 2021	<u>\$ 12,543</u>	<u>\$ 27,155</u>

TOWN OF BLACK SPRINGS, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue (Street Fund)
Cash Balance, January 1, 2020	\$ 1,840	\$ 20,605
Receipts:		
State aid	1,469	7,473
Property taxes	1,973	691
Sales taxes	9,207	
Other	662	584
Total Receipts	<u>13,311</u>	<u>8,748</u>
Disbursements:		
General government	7,714	
Sanitation	1,068	
Unclassified	12	
Total Disbursements	<u>8,794</u>	
Cash Balance, December 31, 2020	<u>\$ 6,357</u>	<u>\$ 29,353</u>

TOWN OF BLACK SPRINGS, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021, AND 2020
(UNAUDITED)

Schedule 4

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

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

	December 31, 2022	December 31, 2021	December 31, 2020
Land	\$ 15,000	\$ 15,000	\$ 2,000
Buildings	18,000	18,000	18,000
Equipment	3,040	3,040	2,500
Totals	<u>\$ 36,040</u>	<u>\$ 36,040</u>	<u>\$ 22,500</u>