

**Town of Damascus, Arkansas**

**Financial and Compliance Report**

**December 31, 2024 and 2023**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF DAMASCUS, ARKANSAS  
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# Arkansas

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**Sen. Jim Dotson**  
Senate Vice Chair



**Rep. Robin Lundstrum**  
House Chair  
**Rep. RJ Hawk**  
House Vice Chair

**Kevin William White, CPA, JD**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### Financial and Compliance Report

Town of Damascus, 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 Damascus, Arkansas, as of and for the years ended December 31, 2024 and 2023, and have issued our report thereon dated October 27, 2025. These procedures were not performed for the Water Department. Management of the Town 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 2024 and 2023:

Mayor: Terry Jones  
Recorder/Treasurer: Wendi Payne  
District Court Clerk: Cindy Hicks (Position eliminated August 16, 2023)  
Police Chief/Marshal: William Basore

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.

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 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 black ink, appearing to read "Kevin White", with a stylized flourish at the end.

Kevin William White, CPA, JD  
Legislative Auditor

Little Rock, Arkansas  
October 27, 2025  
LOM304624

TOWN OF DAMASCUS, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2024  
(UNAUDITED)

Schedule 1

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2024	\$ 586,227	\$ 205,753
Receipts:		
State aid	49,647	31,412
Federal aid	7,400	
Property taxes	34,362	10,261
Franchise fees	25,043	
Sales taxes	284,025	
Fines, forfeitures, and costs	25,228	1,288
Interest	1,042	4,139
Library fees		653
Sales proceeds	125	
Fire contracts	11,304	
Donations	29,294	
Other	7,292	
Transfers in		8,400
Total Receipts	474,762	56,153
Disbursements:		
General government	277,866	
Law enforcement	118,829	7,888
Highways and streets		22,051
Public safety	106,411	
Recreation and culture		881
Debt service	13,670	
Transfers out	8,400	
Total Disbursements	525,176	30,820
Cash Balance, December 31, 2024	\$ 535,813	\$ 231,086

TOWN OF DAMASCUS, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2024  
 (UNAUDITED)

Schedule 2

	Street	Library	Court Operation	Court Automation	Jail Fees (Act 209)	Total
Cash Balance, January 1, 2024	\$ 193,305	\$ 3,642	\$ 4,281	\$ 265	\$ 4,260	\$ 205,753
Receipts:						
State aid	31,412					31,412
Property taxes	10,261					10,261
Fines, forfeitures, and costs				1,288		1,288
Interest	4,130	2	4	1	2	4,139
Library fees		653				653
Transfers in			8,400			8,400
Total Receipts	<u>45,803</u>	<u>655</u>	<u>8,404</u>	<u>1,289</u>	<u>2</u>	<u>56,153</u>
Disbursements:						
Law enforcement			7,888			7,888
Highways and streets	22,051					22,051
Recreation and culture		881				881
Total Disbursements	<u>22,051</u>	<u>881</u>	<u>7,888</u>			<u>30,820</u>
Cash Balance, December 31, 2024	<u>\$ 217,057</u>	<u>\$ 3,416</u>	<u>\$ 4,797</u>	<u>\$ 1,554</u>	<u>\$ 4,262</u>	<u>\$ 231,086</u>

TOWN OF DAMASCUS, ARKANSAS  
SCHEDULE OF FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2023  
(UNAUDITED)

Schedule 3

	General Fund	Special Revenue Funds
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2023	\$ 356,051	\$ 252,205
Receipts:		
State aid	36,570	32,224
Property taxes	22,230	10,792
Franchise fees	23,404	
Sales taxes	324,321	
Fines, forfeitures, and costs	29,177	2,098
Interest	895	2,201
Library fees		198
Sales proceeds	13,867	
Fire contracts	9,611	
Donations	5,696	
Other	21,980	
Transfers in	79,378	26,444
Total Receipts	<u>567,129</u>	<u>73,957</u>
Disbursements:		
General government	146,293	
Law enforcement	103,667	29,132
Highways and streets		9,447
Public safety	47,981	
Recreation and culture		508
Debt service	14,512	
Transfers out	24,500	81,322
Total Disbursements	<u>336,953</u>	<u>120,409</u>
Cash Balance, December 31, 2023	<u>\$ 586,227</u>	<u>\$ 205,753</u>

TOWN OF DAMASCUS, ARKANSAS  
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 (UNAUDITED)

Schedule 4

	<u>Street</u>	<u>Library</u>	<u>Court Operation</u>	<u>Court Automation</u>	<u>Jail Fees (Act 209)</u>	<u>American Rescue Plan Act</u>	<u>Total</u>
Cash Balance, January 1, 2023	\$ 157,571	\$ 3,950	\$ 6,965	\$ 110	\$ 4,258	\$ 79,351	\$ 252,205
Receipts:							
State aid	32,224						32,224
Property taxes	10,792						10,792
Fines, forfeitures, and costs				2,098			2,098
Interest	2,165	2	4	1	2	27	2,201
Library fees		198					198
Transfers in			26,444				26,444
Total Receipts	<u>45,181</u>	<u>200</u>	<u>26,448</u>	<u>2,099</u>	<u>2</u>	<u>27</u>	<u>73,957</u>
Disbursements:							
Law enforcement			29,132				29,132
Highways and streets	9,447						9,447
Recreation and culture		508					508
Transfers out				1,944		79,378	81,322
Total Disbursements	<u>9,447</u>	<u>508</u>	<u>29,132</u>	<u>1,944</u>		<u>79,378</u>	<u>120,409</u>
Cash Balance, December 31, 2023	<u>\$ 193,305</u>	<u>\$ 3,642</u>	<u>\$ 4,281</u>	<u>\$ 265</u>	<u>\$ 4,260</u>	<u>\$ 0</u>	<u>\$ 205,753</u>

TOWN OF DAMASCUS, ARKANSAS  
OTHER INFORMATION  
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023  
(UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts and certificates of deposit.

2. The General Fund column on the Financial Schedules includes the following bank accounts:  
General, Police, Fire, Fire Van Buren Sales Tax

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

	December 31, 2024	December 31, 2023
District Court	\$ 4,276	\$ 3,045

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

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

	December 31, 2024	December 31, 2023
Land	\$ 180,801	\$ 180,801
Buildings	1,210,958	1,143,593
Equipment	694,248	668,173
Totals	\$ 2,086,007	\$ 1,992,567

5. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2024	December 31, 2023
Financed purchase	\$ 3,776	\$ 17,075