

Town of Horseshoe Lake, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF HORSESHOE LAKE, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2022

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Arkansas

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Sen. John Payton
Senate Vice Chair



Rep. Jimmy Gasaway
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 Horseshoe Lake, 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 Horseshoe Lake, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated July 13, 2023. These procedures were not performed for the Water and Sewer Funds. Management of the Town is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

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

Mayor: Garry Hahne
Recorder/Treasurer: Carol Adams

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

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

Mayor

Street Fund expenditures exceeded budgeted appropriations by \$34,449 (265%), in noncompliance with Ark. Code Ann. § 14-58-203.

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 13, 2023
LOM308422

TOWN OF HORSESHOE LAKE, 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	\$ 13,471	\$ 202,197
	<u> </u>	<u> </u>
Receipts:		
State aid	3,938	40,885
Federal aid		28,176
Property taxes	13,974	1,318
Franchise fees	12,430	
Sales taxes	29,549	
Interest	81	189
Local permits and fees	2,638	20,007
Donations		2,335
Rental income	10,000	
Other	385	425
Total Receipts	<u>72,995</u>	<u>93,335</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	53,454	
Highways and streets		47,424
Public safety		27,277
Sanitation		29,434
Total Disbursements	<u>53,454</u>	<u>104,135</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2022	<u>\$ 33,012</u>	<u>\$ 191,397</u>

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

Schedule 2

	Street	Fire Equipment and Training (Act 833)	Fire Department	Fire Rescue	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 124,389	\$ 39,556	\$ 5,962	\$ 4,113	\$ 28,177	\$ 202,197
Receipts:						
State aid	22,793	18,092				40,885
Federal aid					28,176	28,176
Property taxes	1,318					1,318
Interest	158		31			189
Local permits and fees			20,007			20,007
Donations			2,335			2,335
Other			425			425
Total Receipts	<u>24,269</u>	<u>18,092</u>	<u>22,798</u>		<u>28,176</u>	<u>93,335</u>
Disbursements:						
Highways and streets	47,424					47,424
Public safety		11,729	15,548			27,277
Sanitation					29,434	29,434
Total Disbursements	<u>47,424</u>	<u>11,729</u>	<u>15,548</u>		<u>29,434</u>	<u>104,135</u>
Cash Balance, December 31, 2022	<u>\$ 101,234</u>	<u>\$ 45,919</u>	<u>\$ 13,212</u>	<u>\$ 4,113</u>	<u>\$ 26,919</u>	<u>\$ 191,397</u>

TOWN OF HORSESHOE LAKE, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 3

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

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

	December 31, 2022
Land	\$ 97,000
Buildings	998,912
Equipment	916,413
	<hr/>
Total	\$ 2,012,325
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3. The Town received federal funding of the following amount related to COVID-19 relief:

	December 31, 2022
American Rescue Plan Act (ARPA)	\$ 28,176
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