Town of Horseshoe Lake, Arkansas

# **Financial and Compliance Report**

December 31, 2022



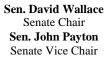
LEGISLATIVE JOINT AUDITING COMMITTEE

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Arkansas



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

ozuknorman

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)

	-	Seneral Fund	Special Revenue Funds			
Cash Balance, January 1, 2022	\$	13,471	\$	202,197		
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		72,995		93,335		
Disbursements:						
General government		53,454				
Highways and streets				47,424		
Public safety				27,277		
Sanitation				29,434		
Total Disbursements		53,454		104,135		
Cash Balance, December 31, 2022	\$	33,012	\$	191,397		

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

		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		24,269		18,092		22,798				28,176		93,335	
Disbursements:													
Highways and streets		47,424										47,424	
Public safety				11,729		15,548						27,277	
Sanitation										29,434		29,434	
Total Disbursements		47,424		11,729		15,548				29,434		104,135	
Cash Balance, December 31, 2022	\$	101,234	\$	45,919	\$	13,212	\$	4,113	\$	26,919	\$	191,397	

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

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

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

	De	cember 31, 2022
Land Buildings Equipment	\$	97,000 998,912 916,413
Total	\$	2,012,325

3. The Town received federal funding of the following amount related to COVID-19 relief:

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