

Town of Success, Arkansas

Financial and Compliance Report

December 31, 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF SUCCESS, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2022

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Arkansas

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

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Success, 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 Success, Arkansas, as of and for the year ended December 31, 2022, and have issued our report thereon dated August 31, 2023. These procedures were not performed for the Water and Sewer Fund. 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:

Mayor: Ryan Spears
Recorder/Treasurer: Shelia Wheeler

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 **Recorder/Treasurer**.

Recorder/Treasurer

The Recorder/Treasurer made personal purchases totaling \$1,690 using the City's credit card. City personnel identified these improper charges, and the Recorder/Treasurer reimbursed the City \$1,000 on September 21, 2022. Subsequently, after inquiry by ALA staff, the Recorder/Treasurer reimbursed the remaining \$690 due the City on August 8, 2023. These transactions appear to violate Ark. Const. art. 12, § 5.

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

Handwritten signature of Roger A. Norman in cursive.

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

Little Rock, Arkansas
August 31, 2023
LOM315622

TOWN OF SUCCESS, 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	\$ 1,096	\$ 132,624
Receipts:		
State aid	1,462	22,181
Federal aid		13,777
Property taxes	3,002	875
Franchise fees	5,640	
Sales taxes	17,007	
Interest	12	138
Local permits and fees		2,025
Rent	7,894	
Donations		1,230
Contributions from water department	3,000	
Other	2,938	200
Total Receipts	<u>40,955</u>	<u>40,426</u>
Disbursements:		
General government	35,147	158
Highways and streets		9,948
Public safety		6,578
Wastewater		5,442
Total Disbursements	<u>35,147</u>	<u>22,126</u>
Cash Balance, December 31, 2022	<u>\$ 6,904</u>	<u>\$ 150,924</u>

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

Schedule 2

	Street	Fire Department	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 55,974	\$ 62,908	\$ 13,742	\$ 132,624
Receipts:				
State aid	8,461	13,720		22,181
Federal aid			13,777	13,777
Property taxes	875			875
Interest	57	64	17	138
Local permits and fees		2,025		2,025
Donations		1,230		1,230
Other	200			200
Total Receipts	<u>9,593</u>	<u>17,039</u>	<u>13,794</u>	<u>40,426</u>
Disbursements:				
General government			158	158
Highways and streets	9,948			9,948
Public safety		6,578		6,578
Wastewater			5,442	5,442
Total Disbursements	<u>9,948</u>	<u>6,578</u>	<u>5,600</u>	<u>22,126</u>
Cash Balance, December 31, 2022	<u>\$ 55,619</u>	<u>\$ 73,369</u>	<u>\$ 21,936</u>	<u>\$ 150,924</u>

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

Schedule 3

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

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

	<u>December 31, 2022</u>
Land	\$ 13,658
Buildings	153,729
Equipment	<u>144,760</u>
Total	<u>\$ 312,147</u>

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

	<u>December 31, 2022</u>
American Rescue Plan Act (ARPA)	<u>\$ 13,777</u>