

Town of Donaldson, Arkansas

Financial and Compliance Report

December 31, 2022 and 2021

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF DONALDSON, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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Arkansas

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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 Donaldson, 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 Donaldson, Arkansas, as of and for the years ended December 31, 2022 and 2021, and have issued our report thereon dated July 12, 2023. These procedures were not performed for the Sewer 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 2022 and 2021:

Mayor: Mitchell Burnett
Recorder/Treasurer: Cheryl Whitley

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 cursive script that reads "Roger A. Norman".

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

Little Rock, Arkansas
July 12, 2023
LOM318822

TOWN OF DONALDSON, 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	\$ 71,388	\$ 148,303
	<u> </u>	<u> </u>
Receipts:		
State aid	4,103	23,743
Federal aid		31,077
Sales taxes	39,868	
Interest	103	153
Other	15,680	
Total Receipts	<u>59,754</u>	<u>54,973</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	4,388	
Law enforcement	4,591	
Highways and streets		5,404
Sanitation	36,768	
Recreation and culture	1,450	
Total Disbursements	<u>47,197</u>	<u>5,404</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2022	<u>\$ 83,945</u>	<u>\$ 197,872</u>

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

Schedule 2

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2022	\$ 117,226	\$ 31,077	\$ 148,303
Receipts:			
State aid	23,743		23,743
Federal aid		31,077	31,077
Interest	127	26	153
Total Receipts	<u>23,870</u>	<u>31,103</u>	<u>54,973</u>
Disbursements:			
Highways and streets	<u>5,404</u>		<u>5,404</u>
Cash Balance, December 31, 2022	<u><u>\$ 135,692</u></u>	<u><u>\$ 62,180</u></u>	<u><u>\$ 197,872</u></u>

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

Schedule 3

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2021	\$ 74,115	\$ 95,873
	<u> </u>	<u> </u>
Receipts:		
State aid	4,821	24,289
Federal aid		31,077
Sales taxes	50,087	
Interest	89	107
Other		678
Total Receipts	<u>54,997</u>	<u>56,151</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	5,253	
Law enforcement	959	
Highways and streets		3,721
Sanitation	49,085	
Recreation and culture	2,427	
Total Disbursements	<u>57,724</u>	<u>3,721</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2021	<u>\$ 71,388</u>	<u>\$ 148,303</u>

TOWN OF DONALDSON, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (UNAUDITED)

Schedule 4

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2021	<u>\$ 95,873</u>		<u>\$ 95,873</u>
Receipts:			
State aid	24,289		24,289
Federal aid		\$ 31,077	31,077
Interest	107		107
Other	678		678
Total Receipts	<u>25,074</u>	<u>31,077</u>	<u>56,151</u>
Disbursements:			
Highways and streets	<u>3,721</u>		<u>3,721</u>
Cash Balance, December 31, 2021	<u><u>\$ 117,226</u></u>	<u><u>\$ 31,077</u></u>	<u><u>\$ 148,303</u></u>

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

Schedule 5

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
	<u> </u>	<u> </u>
Land	\$ 13,990	\$ 13,990
Buildings	17,429	17,429
Equipment	<u>92,611</u>	<u>92,611</u>
Totals	<u><u>\$ 124,030</u></u>	<u><u>\$ 124,030</u></u>

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

	December 31, 2022	December 31, 2021
	<u> </u>	<u> </u>
American Rescue Plan Act (ARPA)	<u><u>\$ 31,077</u></u>	<u><u>\$ 31,077</u></u>