

Town of Fountain Lake, Arkansas

Financial and Compliance Report

December 31, 2022

Including Financial Information

For

December 31, 2021 and 2020

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF FOUNTAIN LAKE, ARKANSAS
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FOR THE YEARS ENDED DECEMBER 31, 2022, 2021, AND 2020

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Arkansas

Sen. David Wallace
Senate Chair
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 Fountain 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 Fountain Lake, Arkansas, as of and for the year ended December 31, 2022. Additionally, we requested certain cash basis information and your acknowledgement of compliance with certain state laws and accepted accounting practices for the years ended December 31, 2021, and 2020, and have issued our report thereon dated February 28, 2023. 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, 2021, and 2020:

Mayor: Jack Fields
Recorder/Treasurer: Tracie Taylor

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
February 28, 2023
LOM320022

TOWN OF FOUNTAIN LAKE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 84,589	\$ 57,152
Receipts:		
State aid	7,086	41,010
Federal aid		45,000
Sales taxes	109,888	68,793
Transfers in		14,000
Unclassified		46
Total Receipts	<u>116,974</u>	<u>168,849</u>
Disbursements:		
General government	73,828	
Sales taxes remitted to Garland County	50,811	
Highways and streets	4,160	61,379
Transfers out	14,000	
Total Disbursements	<u>142,799</u>	<u>61,379</u>
Cash Balance, December 31, 2022	<u>\$ 58,764</u>	<u>\$ 164,622</u>

TOWN OF FOUNTAIN LAKE, 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	\$ 25,527	\$ 31,625	\$ 57,152
Receipts:			
State aid	41,010		41,010
Federal aid		45,000	45,000
Sales taxes	68,793		68,793
Transfers in	14,000		14,000
Unclassified	46		46
Total Receipts	<u>123,849</u>	<u>45,000</u>	<u>168,849</u>
Disbursements:			
Highways and streets	<u>61,379</u>		<u>61,379</u>
Cash Balance, December 31, 2022	<u><u>\$ 87,997</u></u>	<u><u>\$ 76,625</u></u>	<u><u>\$ 164,622</u></u>

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

Schedule 3

	General Fund	Special Revenue Fund
Cash Balance, January 1, 2021	\$ 62,662	\$ 27,295
Receipts:		
State aid	8,101	40,900
Federal aid		56,625
Sales taxes	109,285	
Transfers in		20,000
Total Receipts	<u>117,386</u>	<u>117,525</u>
Disbursements:		
General government	23,819	
Sales taxes remitted to Garland County	43,437	
Highways and streets	2,720	62,668
Contribution to North Garland Water		25,000
Debt service	5,483	
Transfers out	20,000	
Total Disbursements	<u>95,459</u>	<u>87,668</u>
Cash Balance, December 31, 2021	<u>\$ 84,589</u>	<u>\$ 57,152</u>

TOWN OF FOUNTAIN LAKE, 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	\$ 27,295		\$ 27,295
Receipts:			
State aid	40,900		40,900
Federal aid		\$ 56,625	56,625
Transfers in	20,000		20,000
Total Receipts	<u>60,900</u>	<u>56,625</u>	<u>117,525</u>
Disbursements:			
Highways and streets	62,668		62,668
Contribution to North Garland Water		25,000	25,000
Total Disbursements	<u>62,668</u>	<u>25,000</u>	<u>87,668</u>
Cash Balance, December 31, 2021	<u>\$ 25,527</u>	<u>\$ 31,625</u>	<u>\$ 57,152</u>

TOWN OF FOUNTAIN LAKE, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020
(UNAUDITED)

Schedule 5

	General Fund	Special Revenue Fund (Street)
	<u> </u>	<u> </u>
Cash Balance, January 1, 2020	\$ 56,430	\$ 18,119
	<u> </u>	<u> </u>
Receipts:		
State aid	7,463	37,972
Sales taxes	98,611	
Other	55	35
Total Receipts	<u>106,129</u>	<u>38,007</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	44,340	
Sales taxes remitted to Garland County	41,872	
Highways and streets	199	28,831
Debt service	13,486	
Total Disbursements	<u>99,897</u>	<u>28,831</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2020	<u>\$ 62,662</u>	<u>\$ 27,295</u>

TOWN OF FOUNTAIN LAKE, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021, AND 2020
(UNAUDITED)

Schedule 6

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	December 31, 2020
Buildings & Land	\$ 87,500	\$ 87,500	\$ 87,500
Equipment	33,093	15,654	15,654
Totals	<u>\$ 120,593</u>	<u>\$ 103,154</u>	<u>\$ 103,154</u>

3. The outstanding balance at year-end for long-term liabilities is as follows:

	December 31, 2020
Notes payable	<u>\$ 5,426</u>

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

	December 31, 2022	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 45,000</u>	<u>\$ 56,625</u>