

Town of Daisy, Arkansas

Financial and Compliance Report

December 31, 2022

*Including Financial Information
For
December 31, 2021 and 2020*

LEGISLATIVE JOINT AUDITING COMMITTEE



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

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Arkansas

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Senate Chair
Sen. John Payton
Senate Vice Chair



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House Chair
Rep. Richard Womack
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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 Daisy, 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 Daisy, Arkansas, as of and for the years 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 August 28, 2023. 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, 2021, and 2020:

Mayor: Lisa Cogburn
Recorder/Treasurer: Melissa Jones

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.

Noncompliance with state law and accepted accounting practices was noted in the offices of **Mayor** and **Recorder/Treasurer**.

Mayor and Recorder/Treasurer

In 2022 and 2021, the Town spent Street Fund monies, which are restricted for street purposes by Ark. Code Ann. §§ 26-79-104, 27-70-207, in the amount of \$42,731 for payments relating to the acquisition of a fire truck and the construction of a fire department building. Additionally, the Town has not passed an ordinance or resolution to repay the Street Fund 10% of general revenue until the Street Fund is repaid, in noncompliance with Ark. Code Ann. § 27-70-207.

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 28, 2023
LOM304522

TOWN OF DAISY, 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	\$ 51,567	\$ 80,371
Receipts:		
State aid	1,313	83,152
Federal aid	11,395	
Property taxes	6,969	1,045
Sales taxes	15,704	
Interest	33	139
Local permits and fees		4,580
Donations		2,850
Other	1,250	
Transfers in		3,000
Total Receipts	<u>36,664</u>	<u>94,766</u>
Disbursements:		
General government	16,153	
Highways and streets		7,765
Public safety	21,441	44,384
Sanitation	8,681	
Recreation and culture	2,050	1,330
Debt service		21,231
Transfers out	3,000	
Unclassified		448
Total Disbursements	<u>51,325</u>	<u>75,158</u>
Cash Balance, December 31, 2022	<u>\$ 36,906</u>	<u>\$ 99,979</u>

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

Schedule 2

	Street	Fire Department	Fun Park Grant	Total
Cash Balance, January 1, 2022	\$ 75,825	\$ 4,546		\$ 80,371
Receipts:				
State aid	7,598	554	\$ 75,000	83,152
Property taxes	1,045			1,045
Interest	99		40	139
Local permits and fees		4,580		4,580
Donations		2,850		2,850
Transfers in		3,000		3,000
Total Receipts	<u>8,742</u>	<u>10,984</u>	<u>75,040</u>	<u>94,766</u>
Disbursements:				
Highways and streets	7,765			7,765
Public safety	30,000	14,384		44,384
Recreation and culture			1,330	1,330
Debt service	21,231			21,231
Unclassified		448		448
Total Disbursements	<u>58,996</u>	<u>14,832</u>	<u>1,330</u>	<u>75,158</u>
Cash Balance, December 31, 2022	<u>\$ 25,571</u>	<u>\$ 698</u>	<u>\$ 73,710</u>	<u>\$ 99,979</u>

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

Schedule 3

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Cash Balance, January 1, 2021	\$ 136,342	\$ 70,197
Receipts:		
State aid	16,793	12,747
Federal aid	15,643	
Property taxes	7,595	
Sales taxes	15,747	
Interest	47	201
Local permits and fees		12,659
Other	2,450	25
Transfers in		15,403
Total Receipts	<u>58,275</u>	<u>41,035</u>
Disbursements:		
General government	19,605	
Highways and streets		8,166
Public safety	98,469	14,343
Sanitation	8,626	
Recreation and culture	2,750	
Debt service		4,500
Transfers out	13,600	1,803
Unclassified		2,049
Total Disbursements	<u>143,050</u>	<u>30,861</u>
Cash Balance, December 31, 2021	<u>\$ 51,567</u>	<u>\$ 80,371</u>

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

Schedule 4

	Street	Fire Department	Fire Fighter's Fund Raiser	Total
Cash Balance, January 1, 2021	\$ 67,471	\$ 923	\$ 1,803	\$ 70,197
Receipts:				
State aid	8,937	3,810		12,747
Interest	199	2		201
Local permits and fees		12,659		12,659
Other		25		25
Transfers in	13,100	2,303		15,403
Total Receipts	<u>22,236</u>	<u>18,799</u>		<u>41,035</u>
Disbursements:				
Highways and streets	8,166			8,166
Public safety		14,343		14,343
Debt service	4,500			4,500
Transfers out			1,803	1,803
Unclassified	1,216	833		2,049
Total Disbursements	<u>13,882</u>	<u>15,176</u>	<u>1,803</u>	<u>30,861</u>
Cash Balance, December 31, 2021	<u>\$ 75,825</u>	<u>\$ 4,546</u>	<u>\$ 0</u>	<u>\$ 80,371</u>

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

Schedule 5

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2020	\$ 41,206	\$ 71,459
Receipts:		
State aid	1,706	10,057
Federal aid	97,164	
Property taxes	6,900	1,035
Sales taxes	14,400	
Interest	114	323
Local permits and fees		2,825
Other	1,300	4,696
Transfers in		3,500
Total Receipts	<u>121,584</u>	<u>22,436</u>
Disbursements:		
General government	9,506	
Highways and streets		6,812
Public safety	4,620	16,676
Sanitation	8,822	
Transfers out	3,500	
Unclassified		210
Total Disbursements	<u>26,448</u>	<u>23,698</u>
Cash Balance, December 31, 2020	<u>\$ 136,342</u>	<u>\$ 70,197</u>

TOWN OF DAISY, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2020
 (UNAUDITED)

Schedule 6

	<u>Street</u>	<u>Fire Department</u>	<u>Fire Fighter's Fund Raiser</u>	<u>Total</u>
Cash Balance, January 1, 2020	\$ 64,247	\$ 5,410	\$ 1,802	\$ 71,459
Receipts:				
State aid	8,681	1,376		10,057
Property taxes	1,035			1,035
Interest	320	2	1	323
Local permits and fees		2,825		2,825
Other		4,696		4,696
Transfers in		3,500		3,500
Total Receipts	<u>10,036</u>	<u>12,399</u>	<u>1</u>	<u>22,436</u>
Disbursements:				
Highways and streets	6,812			6,812
Public safety		16,676		16,676
Unclassified		210		210
Total Disbursements	<u>6,812</u>	<u>16,886</u>		<u>23,698</u>
Cash Balance, December 31, 2020	<u>\$ 67,471</u>	<u>\$ 923</u>	<u>\$ 1,803</u>	<u>\$ 70,197</u>

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

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

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

	December 31, 2022	December 31, 2021	December 31, 2020
Land	\$ 42,386	\$ 42,386	\$ 42,386
Buildings	51,441	51,441	
Equipment	254,951	254,951	132,141
Totals	<u>\$ 348,778</u>	<u>\$ 348,778</u>	<u>\$ 174,527</u>

3. Outstanding balances at year-end for long-term liabilities are as follows:

	December 31, 2021
Financed Purchases - Fire Truck & Shop for Truck	<u>\$ 21,106</u>

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

	December 31, 2022	December 31, 2021
American Rescue Plan Act (ARPA)	<u>\$ 11,395</u>	<u>\$ 11,395</u>

The American Rescue Plan Act funds received were deposited to and reported in the General Fund for 2021 and 2022.