

Town of Oakhaven, Arkansas

Financial and Compliance Report

December 31, 2023 and 2022

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF OAKHAVEN, ARKANSAS
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Sen. Jim Petty
Senate Chair
Sen. Jim Dotson
Senate Vice Chair

Rep. Robin Lundstrum
House Chair
Rep. RJ Hawk
House Vice Chair

Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Oakhaven, 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 Oakhaven, Arkansas, as of and for the years ended December 31, 2023 and 2022, and have issued our report thereon dated September 10, 2025. 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 2023 and 2022:

Mayor: JoAnne Adams
Recorder/Treasurer: Mayra Garcia

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 the **Mayor** and the **Recorder/Treasurer**.

Mayor

The Town was in noncompliance with Ark. Code Ann. §§ 14-58-202, -203 as noted below:

- Expenditures exceeded budgeted appropriations for the General Fund in 2023 and 2022 by \$11,005 (400%) and \$11,555 (420%), respectively, and for the Street Fund in 2022 by \$1,953 (170%).
- Budgets were not adopted by ordinance or resolution.

The governing body did not review the prior report and accompanying comments and recommendations at the first regularly scheduled meeting following receipt of the report, as required by Ark. Code Ann. § 10-4-418.

Recorder/Treasurer

Accounting procedures for municipalities are set forth in Ark. Code Ann. §§ 14-59-101 - 14-59-119. The City was in noncompliance with these codes and other proper accounting procedures as noted below:

- A monthly financial statement was not presented to the Town Council.
- Prenumbered receipts were not issued.
- Bank accounts were not reconciled properly.
- Cash receipts and disbursements journals were not properly posted and classified.
- An annual financial statement was not published or posted.
- Invoices or supporting documentation were not provided for disbursements tested totaling \$1,836 (43%) in 2022.
- Internal Revenue Service (IRS) quarterly reports (Forms 941), IRS Form W-2 and W-3, and Arkansas Department of Finance and Administration Form AR3 were not provided for 2023 or 2022.

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 black ink, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
September 10, 2025
LOM311923

TOWN OF OAKHAVEN, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
	<u> </u>	<u> </u>
Cash Balance, January 1, 2023	\$ 5,368	\$ 45,046
	<u> </u>	<u> </u>
Receipts:		
State aid	65	5,483
Sales taxes	12,393	
Interest	15	65
Other	2,237	268
Total Receipts	<u>14,710</u>	<u>5,816</u>
	<u> </u>	<u> </u>
Disbursements:		
General government	2,444	
Highways and streets		1,150
Sanitation	11,311	
Total Disbursements	<u>13,755</u>	<u>1,150</u>
	<u> </u>	<u> </u>
Cash Balance, December 31, 2023	<u>\$ 6,323</u>	<u>\$ 49,712</u>

TOWN OF OAKHAVEN, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 2

	Street	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2023	\$ 40,734	\$ 4,312	\$ 45,046
Receipts:			
State aid	5,483		5,483
Interest	65		65
Other	268		268
Total Receipts	<u>5,816</u>		<u>5,816</u>
Disbursements:			
Highways and streets	<u>1,150</u>		<u>1,150</u>
Cash Balance, December 31, 2023	<u><u>\$ 45,400</u></u>	<u><u>\$ 4,312</u></u>	<u><u>\$ 49,712</u></u>

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

Schedule 3

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2022	\$ 6,709	\$ 39,599
Receipts:		
State aid	666	5,612
Federal aid		2,906
Sales taxes	12,291	
Interest	7	31
Unclassified		1
Total Receipts	<u>12,964</u>	<u>8,550</u>
Disbursements:		
General government	2,402	
Highways and streets		3,103
Sanitation	11,903	
Total Disbursements	<u>14,305</u>	<u>3,103</u>
Cash Balance, December 31, 2022	<u>\$ 5,368</u>	<u>\$ 45,046</u>

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

Schedule 4

	Street	American Rescue Plan Act (ARPA)	Total
Cash Balance, January 1, 2022	\$ 38,193	\$ 1,406	\$ 39,599
Receipts:			
State aid	5,612		5,612
Federal aid		2,906	2,906
Interest	31		31
Unclassified	1		1
Total Receipts	<u>5,644</u>	<u>2,906</u>	<u>8,550</u>
Disbursements:			
Highways and streets	<u>3,103</u>		<u>3,103</u>
Cash Balance, December 31, 2022	<u>\$ 40,734</u>	<u>\$ 4,312</u>	<u>\$ 45,046</u>

TOWN OF OAKHAVEN, ARKANSAS
OTHER INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(UNAUDITED)

Schedule 5

1. Cash balances on the Financial Schedules include demand accounts.
2. The Municipality has no capital assets.
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>\$ 2,906</u>