

City of Hamburg, Arkansas

Financial and Compliance Report

December 31, 2024

LEGISLATIVE JOINT AUDITING COMMITTEE



CITY OF HAMBURG, ARKANSAS
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Combining Schedule of Financial Information – Special Revenue Funds (Unaudited)	2
Combining Schedule of Financial Information – Debt Service Funds (Unaudited)	3
Combining Schedule of Financial Information – Capital Projects Funds (Unaudited)	4
Other Information (Unaudited)	5

Arkansas

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Senate Chair
Sen. Jim Dotson
Senate Vice Chair



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Kevin William White, CPA, JD
Legislative Auditor

LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

City of Hamburg, 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 City of Hamburg, Arkansas, as of and for the year ended December 31, 2024, and have issued our report thereon dated September 22, 2025. These procedures were not performed for the Water and Sewer Funds. Management of the City 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 2024:

Mayor: David Streeter
Recorder/Treasurer: Melissa Carpenter
District Court Clerk: Heather Smith
Police Chief/Marshal: Johnny Oliver

We evaluated the City'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 City 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", with a stylized flourish at the end.

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
September 22, 2025
LOM104024

CITY OF HAMBURG, ARKANSAS
SCHEDULE OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
Cash Balance, January 1, 2024	\$ 130,826	\$ 918,009	\$ 566,623	\$ 1,621,651
Receipts:				
State aid	37,714	267,155		224,485
Federal aid	16,900			
Property taxes	129,774			
Franchise fees	140,121			
Sales taxes	430,665	407,264	407,264	407,264
Fines, forfeitures, and costs	71,516	43,216		
Interest	1,068	13,830	17,312	39,478
Local permits and fees	7,682			
Sanitation fees	268,002			
Mosquito	27,609			
Proceeds from installment contract				1,062,750
Contribution from water department	30,000			
Other	182,513	27,981		45,535
Transfers in	250			29,030
Total Receipts	1,343,814	759,446	424,576	1,808,542
Disbursements:				
General government	274,916			66,973
Law enforcement	794,412	69,750		84,471
Highways and streets		278,056		82,819
Public safety	66,122	313,486	1,900	21,000
Sanitation	222,413			210,359
Health	14,869			
Recreation and culture	79,436		1,800	11,164
Wastewater		4,214		237,848
Debt service			465,849	81,226
Energy project				819,025
Transfers out		29,280		
Total Disbursements	1,452,168	694,786	469,549	1,614,885
Cash Balance, December 31, 2024	\$ 22,472	\$ 982,669	\$ 521,650	\$ 1,815,308

CITY OF HAMBURG, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 2

	Street	District Court Cost	Act 833	Ambulance Service	American Relief Act Fund	Police Vehicles - USDA Grant	Total
Cash Balance, January 1, 2024	\$ 175,336	\$ 60,772	\$ 82,066	\$ 566,591	\$ 4,214	\$ 29,030	\$ 918,009
Receipts:							
State aid	208,537		58,618				267,155
Sales taxes				407,264			407,264
Fines, forfeitures, and costs		43,216					43,216
Interest	1,653		81	12,096			13,830
Other	27,589	392					27,981
Total Receipts	<u>237,779</u>	<u>43,608</u>	<u>58,699</u>	<u>419,360</u>			<u>759,446</u>
Disbursements:							
Law enforcement		69,750					69,750
Highways and streets	278,056						278,056
Public safety			23,152	290,334			313,486
Wastewater					4,214		4,214
Transfers out	250					29,030	29,280
Total Disbursements	<u>278,306</u>	<u>69,750</u>	<u>23,152</u>	<u>290,334</u>	<u>4,214</u>	<u>29,030</u>	<u>694,786</u>
Cash Balance, December 31, 2024	<u>\$ 134,809</u>	<u>\$ 34,630</u>	<u>\$ 117,613</u>	<u>\$ 695,617</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 982,669</u>

CITY OF HAMBURG, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - DEBT SERVICE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 3

	Sales & Use Tax Bonds - Series 2017A Fire Station Facilities	Sales & Use Tax Bonds - Series 2017B Recreational Facilities	Total
Cash Balance, January 1, 2024	\$ 290,570	\$ 276,053	\$ 566,623
Receipts:			
Sales taxes	203,632	203,632	407,264
Interest	8,817	8,495	17,312
Total Receipts	<u>212,449</u>	<u>212,127</u>	<u>424,576</u>
Disbursements:			
Public safety	1,900		1,900
Recreation and culture		1,800	1,800
Debt service	<u>232,837</u>	<u>233,012</u>	<u>465,849</u>
Total Disbursements	<u>234,737</u>	<u>234,812</u>	<u>469,549</u>
Cash Balance, December 31, 2024	<u>\$ 268,282</u>	<u>\$ 253,368</u>	<u>\$ 521,650</u>

CITY OF HAMBURG, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - CAPITAL PROJECTS FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2024
 (UNAUDITED)

Schedule 4

	Capital Improvements	Solar Energy Project	Total
Cash Balance, January 1, 2024	\$ 1,621,651		\$ 1,621,651
Receipts:			
State aid	224,485		224,485
Sales taxes	407,264		407,264
Interest	39,478		39,478
Proceeds from installment contract		\$ 1,062,750	1,062,750
Other	45,435	100	45,535
Transfers in	29,030		29,030
Total Receipts	<u>745,692</u>	<u>1,062,850</u>	<u>1,808,542</u>
Disbursements:			
General government	66,973		66,973
Law enforcement	84,471		84,471
Highways and streets	82,819		82,819
Public safety	21,000		21,000
Sanitation	210,359		210,359
Recreation and culture	11,164		11,164
Wastewater	237,848		237,848
Debt service	81,226		81,226
Energy project		819,025	819,025
Total Disbursements	<u>795,860</u>	<u>819,025</u>	<u>1,614,885</u>
Cash Balance, December 31, 2024	<u>\$ 1,571,483</u>	<u>\$ 243,825</u>	<u>\$ 1,815,308</u>

CITY OF HAMBURG, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 5

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

2. Cash balances at year-end in the custodial funds are as follows:

	December 31, 2024
Police Bond and Fine	\$ 255
District Court	81,606
Administration of Justice	2,827

These balances represent fines, forfeitures, and costs that have not been transferred to the appropriate entities.

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

	December 31, 2024
Land	\$ 172,923
Buildings and improvements	6,414,870
Equipment	2,563,182
Total	<u>\$ 9,150,975</u>

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

	December 31, 2024
Notes payable	\$ 1,062,750
Bonds payable	1,885,000
Total	<u>\$ 2,947,750</u>

CITY OF HAMBURG, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024
(UNAUDITED)

Schedule 5

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

	<u>December 31, 2024</u>
Sales and Use Tax Capital Improvement Bond-Series A to finance capital improvements for constructing a new fire station, ambulance depot and related facilities and equipment; dated October 23, 2017, in the amount of \$1,500,000; due in annual installments of \$75,000 to \$130,000 plus interest, through February 1, 2032; interest rate at 1.75% - 3%. Payments are to be made from the Sales and Use Tax Bond- Series 2017A Fire Station Facilities Fund.	\$ 530,000
Sales and Use Tax Capital Improvement Bond- Series B to finance capital improvements for the City's park's and recreational facilities, dated October 23, 2017; in the amount of \$2,150,000; due in annual installments of \$55,000 to \$135,000 plus interest, through February 1, 2040; interest rate at 1.75% - 3.75%. Payments are to be made from the Sales and Use Tax Bond-Series 2017B Recreational Facilities Fund.	1,355,000
Installment contract with Arkansas Energy Office dated October 28, 2024, in the amount of \$1,062,750, with interest rate of .40% for the construction of solar panels for energy cost savings. Annual installments due of \$73,138, payable through October 28, 2039. Payments are to be made from the Solar Energy Project Fund.	<u>1,062,750</u>
Total	<u><u>\$ 2,947,750</u></u>

6. The City is obligated for the following amounts at December 31, 2024:

Years Ending December 31,	Notes	Bonds	Total
2025	\$ 73,138	\$ 272,213	\$ 345,351
2026	73,138	272,937	346,075
2027	73,138	272,088	345,226
2028	73,138	271,087	344,225
2029	73,138	244,938	318,076
2030 through 2034	365,692	692,150	1,057,842
2035 through 2039	365,692	474,175	839,867
Total Obligations	<u>1,097,074</u>	<u>2,499,588</u>	<u>3,596,662</u>
Less Interest	<u>34,324</u>	<u>614,588</u>	<u>648,912</u>
Total Principal	<u><u>\$ 1,062,750</u></u>	<u><u>\$ 1,885,000</u></u>	<u><u>\$ 2,947,750</u></u>